

A MarketSearch Study

**South Carolina Education Lottery
Player Profile Study 2006**

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Introduction

Background and Purpose

- The South Carolina Education Lottery was launched in January 2002.
- The **Player Profile Study** has been conducted annually since 2002. This is the fifth annual survey.
- The purpose of the Study is to:
 - ✓ monitor penetration of the South Carolina Education Lottery, in general and by specific game;
 - ✓ provide a demographic profile of SCEL players, including income, age, gender, and education;
 - ✓ track frequency and dollar value of participation; and
 - ✓ assess general purchase dynamics.

Study Specifications

Methodology:	Telephone Survey
Interview Dates:	October 1 - 8, 2006
Respondent Specs:	Statewide stratified sample Adults 18+ No Lottery employees No elected/appointed officials Age and gender quotas Data weighted during data processing to reflect appropriate distribution of ethnicity
Weighted Sample Size:	1,000 Total, 538 <i>Players</i>
Sampling Error:	$\pm 3.1\%$ at 95% confidence level among the Total Sample; $\pm 4.2\%$ at the 95% confidence level among <i>Players</i> .

Qualification of *Players*

- For the purposes of this study, *Players* are defined as those who have ever purchased a South Carolina Education Lottery ticket (of any game).
- Overall, 1,000 interviews were completed with South Carolina residents meeting the specified respondent qualifications. Of these, 538 identified themselves as *Players* of the South Carolina Education Lottery.
- *Players* were then interviewed regarding games played, frequency of play, dollars spent, and purchase dynamics, as well as demographic information.
- *Non-Players* were asked demographic information only.

Qualification of Frequency of Play

- *Players* have been categorized relative to their frequency of play of any South Carolina Education Lottery game:
 - ✓ *Frequent Players* - purchase tickets for any game more than once a week (N = 90);
 - ✓ *Regular Players* - purchase tickets for any game about once a week (N = 70);
 - ✓ *Occasional* - purchase tickets for any game one to three times a month (N = 144); and
 - ✓ *Infrequent* - purchase tickets for any game less than once a month (N = 227).

Qualification of Frequency of Play

- *Active Players* reflect a combination of the *Frequent*, *Regular*, and *Occasional* player segments combined and represent those who play one or more SCEL games at least once a month.

Current Lottery Games

- **Scratch Off**
 - ✓ Introduced 1/7/02.
 - ✓ \$10 game introduced at the end of 2003.
- **Pick 3**
 - ✓ Introduced 3/7/02.
- **Palmetto Cash 5**
 - ✓ Introduced 6/17/02.
 - ✓ Introduced as “Carolina 5”; name changed to “Palmetto Cash 5” in 2005.
 - ✓ Draws increased to 2 draws per week in May 2003, then 3 draws per week in March 2004.

Current Lottery Games

- **Powerball**
 - ✓ Introduced 10/5/02.
- **Pick 4**
 - ✓ Introduced 1/27/03.

Report Format

- Unless otherwise indicated, findings in this report reflect 2006 results only.
- Data are presented in percent and based on the weighted sample size of 1,000 for the Total Sample, 538 for *Players* and/or 462 for *Non-Players*.
- Graphs indicate in the title whether they are based on the Total Sample, *Players*, or some other subsegment.

As a general rule, green bars reflect percentages among *Players* and blue bars reflect percentages among all the Total Sample.

Report Format

- Percentages have been rounded to the nearest whole number. In some instances rounding may cause the “total” to add to more than 100%.
- In tables, bolded numbers represent those that have a statistically significant difference at the 95% confidence level.

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Summary of Key Findings

Summary of Key Findings

- Study findings indicate that 54% of South Carolina residents have ever played a SC Education Lottery game.

Powerball (43%) and Scratch Off (41%) tickets have the highest penetration, with play of Pick 3 (15%), Palmetto Cash 5 (15%), and/or Pick 4 (7%) significantly lower.

- Among SC Education Lottery *Players* (N = 538), more than half (57%) are classified as *Active Players*, meaning they play one or more SCEL games at least once a month. (This translates to approximately 30% of the total sample.)
- Most *Players* (71%) play more than one SC Education Lottery game, but only 6% have played them all.

Summary of Key Findings

- In general, the demographic profile of SC Education Lottery *Players* tends to be similar to the demographic profile of adult residents of the state.

The majority of *Players*:

- ✓ are between the ages of 25 and 54 (68%);
- ✓ are Caucasian (63%);
- ✓ are employed outside the home (62%);
- ✓ have at least some college education (56%);
- ✓ are married (54%);
- ✓ have no children under 18 in the household (54%);
- ✓ have 2 to 3 people residing in their household (51%);
- ✓ are female (51%); and
- ✓ have a household income under \$50,000 (50%).

Summary of Key Findings

- Despite this general profile, when looking at penetration of SCEL play across the demographic segments, there is clearly a difference.

Overall, the total penetration for SCEL play is 54%. Penetration tends to be disproportionately high, however, among the following segments:

- ✓ African-Americans (62%);
- ✓ Those with household incomes under \$30,000 per year (62%);
- ✓ Those employed full time outside the home (59%);
- ✓ Those with some college/tech education but no college degree (61%) or those with a high school education (55%); and
- ✓ Those between the ages of 35 and 54 (58%) and those under the age of 35 (55%).

Summary of Key Findings

- Not only are there demographic differences between *Players* and *Non-Players*, there are also demographic differences among *Players* based on the games they play and the frequency of play.

For example, in terms of games played, *Active Powerball*, *Scratch Off*, and *Palmetto Cash 5* *Players* are more likely to be Caucasian, married, employed in managerial/professional positions, and to have higher income households, while *Active Pick 3* and *Pick 4* *Players* are significantly more likely to be African-American, have lower household incomes, and be less well-educated.

And, in terms of frequency of play, *Frequent* and *Regular* *Players* are significantly more likely than those who play less often to be male, 45 years of age or older, have no children in the household, have high school education or less, and to be employed in manufacturing and/or as a laborer/fabricator/operator.

Summary of Key Findings

- The overwhelming majority of *Players* (89%) indicate they buy five or fewer tickets per purchase, spending an average of \$5.80 per purchase.

Frequent Players not only play more frequently, they also tend to buy more tickets (33% buy more than five per purchase) and spend more (a calculated average of \$11.30) each time they play.

- Most *Players*:
 - ✓ Buy their tickets at a convenience store that sells gasoline (91%);
 - ✓ Buy tickets on weekdays (62%); and
 - ✓ Buy their tickets between 4:00 p.m. and 8:00 a.m. (62%).

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Incidence of Lottery Play

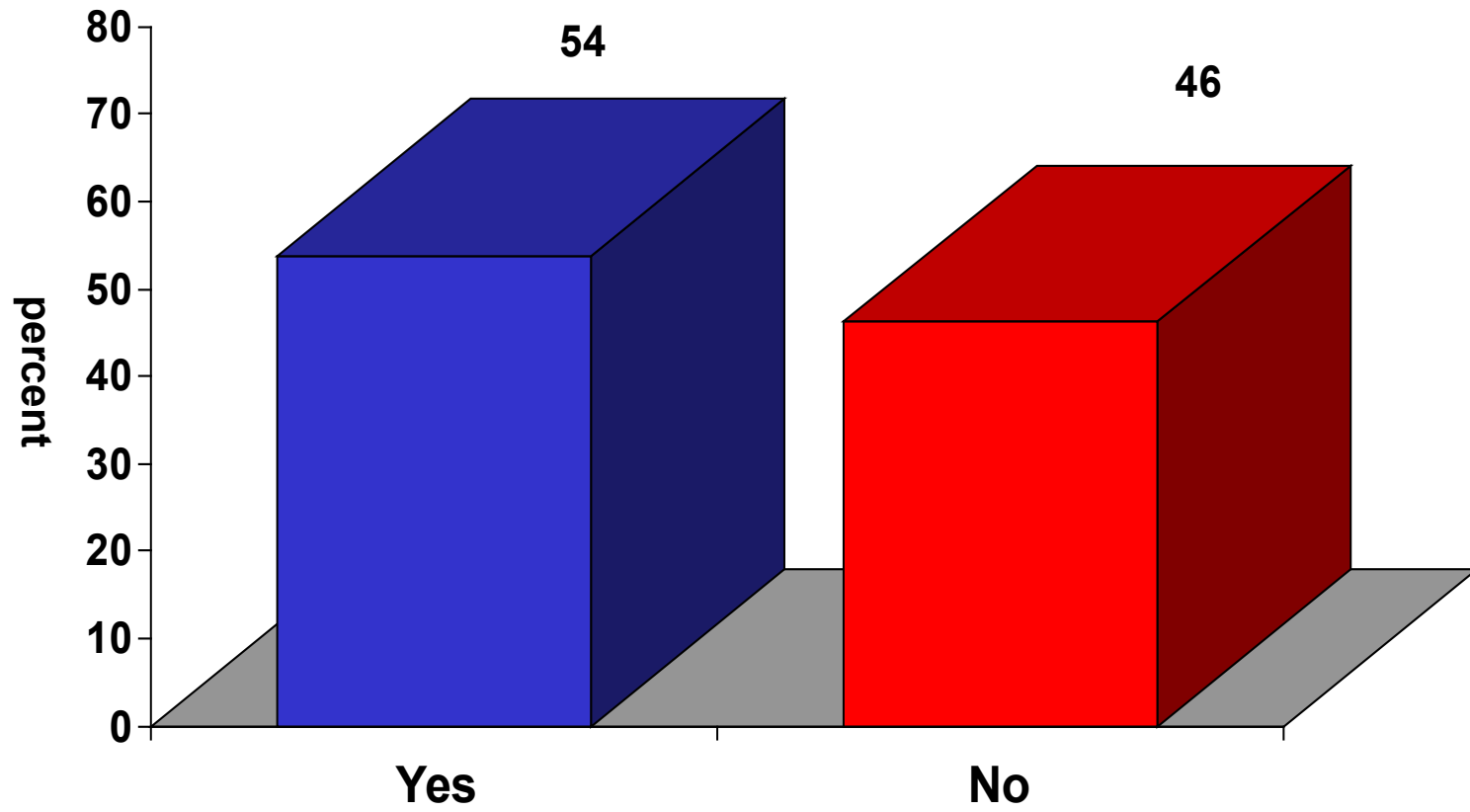
Incidence of Lottery Play

- Overall, 54% of respondents indicate they have ever purchased a South Carolina Education Lottery ticket.
- Powerball (43% of state residents have ever purchased) and Scratch Off tickets (41% have ever purchased) have the highest penetration among residents.

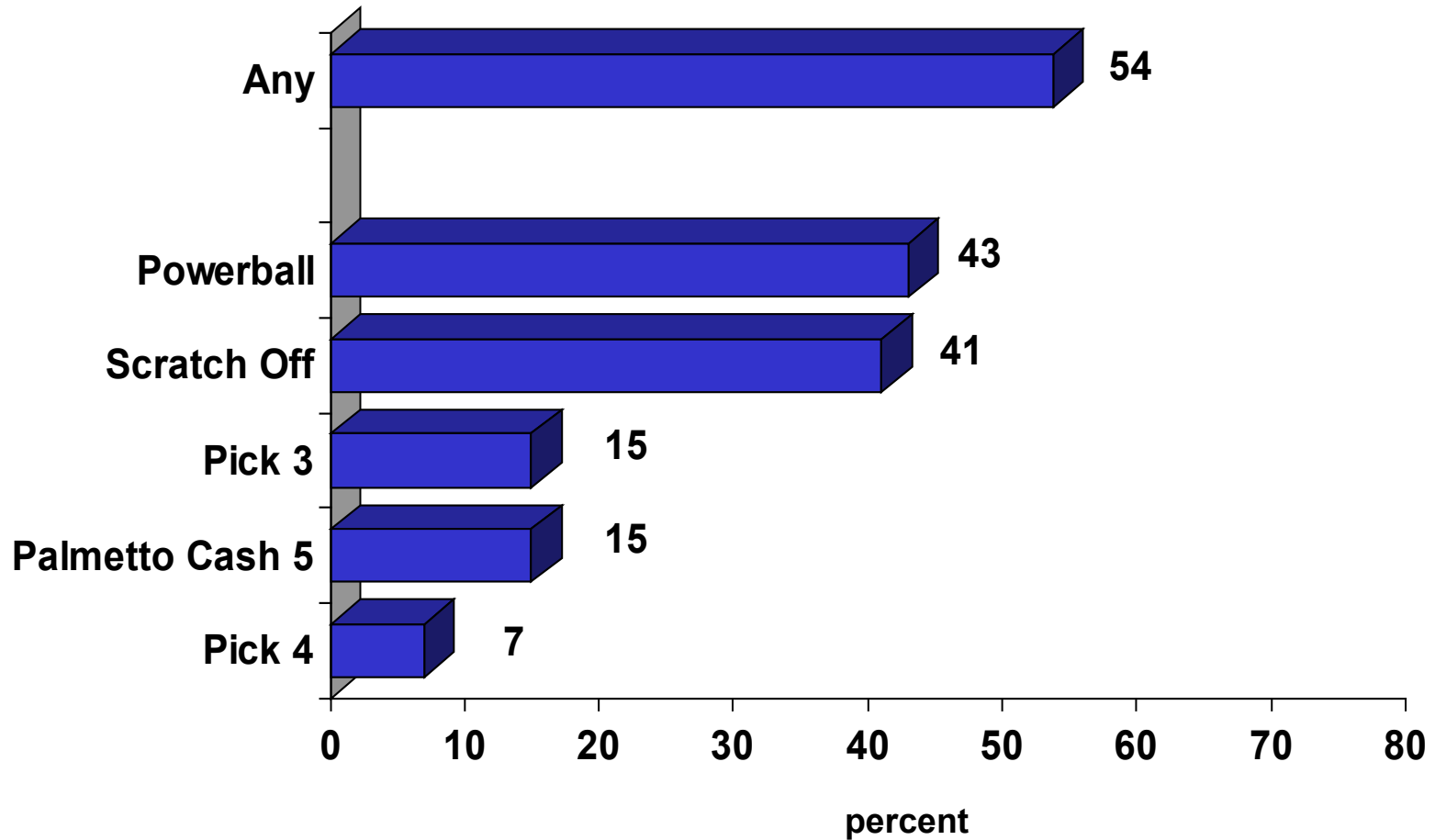
Those who have ever played Pick 3 (15%), Palmetto Cash 5 (15%), and Pick 4 (7%) are much more limited.

- Among *Players* (N = 538), 79% have played Powerball and 76% have purchased a Scratch Off ticket, while only 27% have played Pick 3, 27% have played Palmetto Cash 5, and 13% have played Pick 4.

Ever Played SC Education Lottery

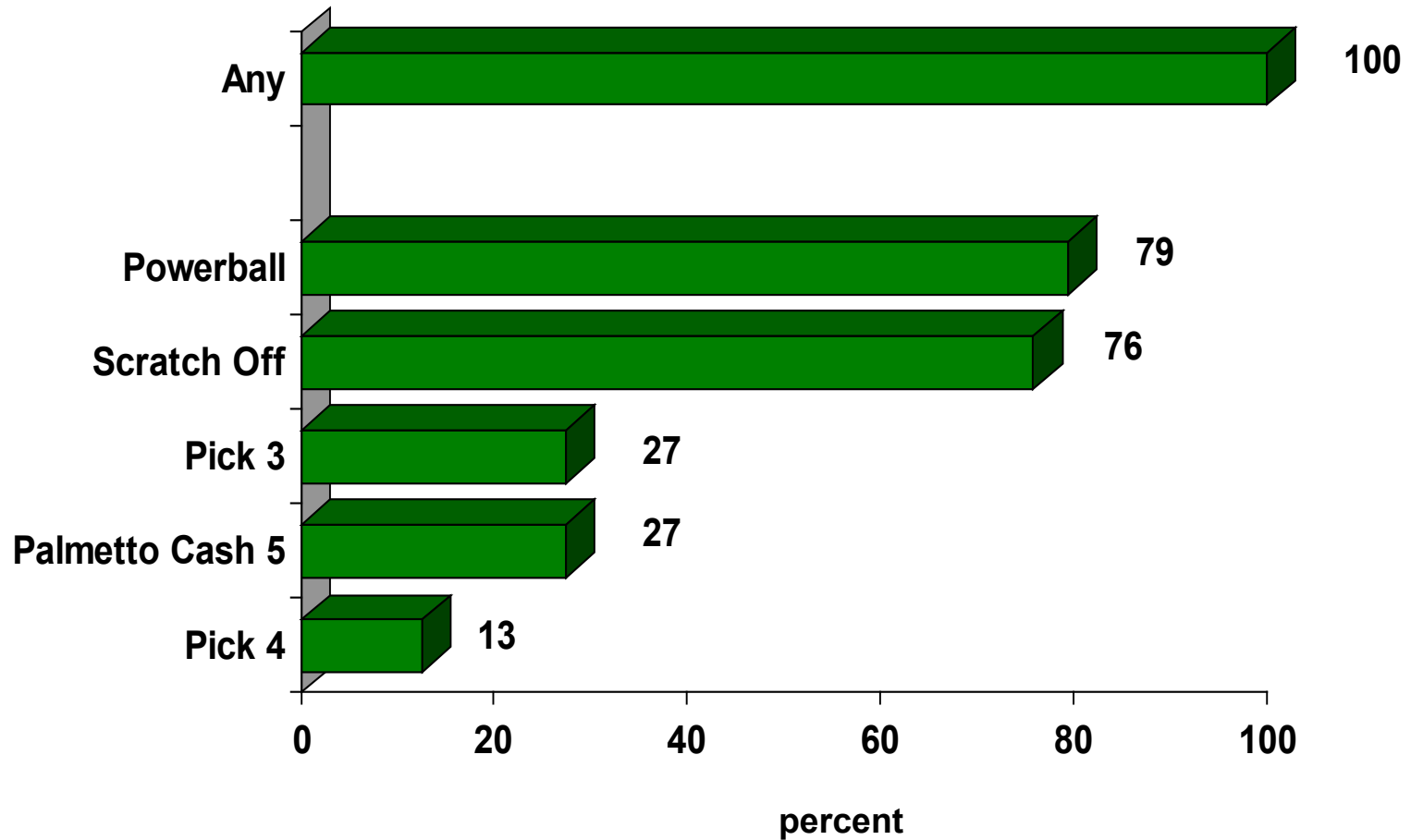


Incidence of Specific Game Play (among total sample)



Incidence of Specific Game Play

(among *Players*, N = 538)



Dynamics of Lottery Play

- Overall, 57% of *Players* are classified as *Active*, playing one or more games at least once a month.

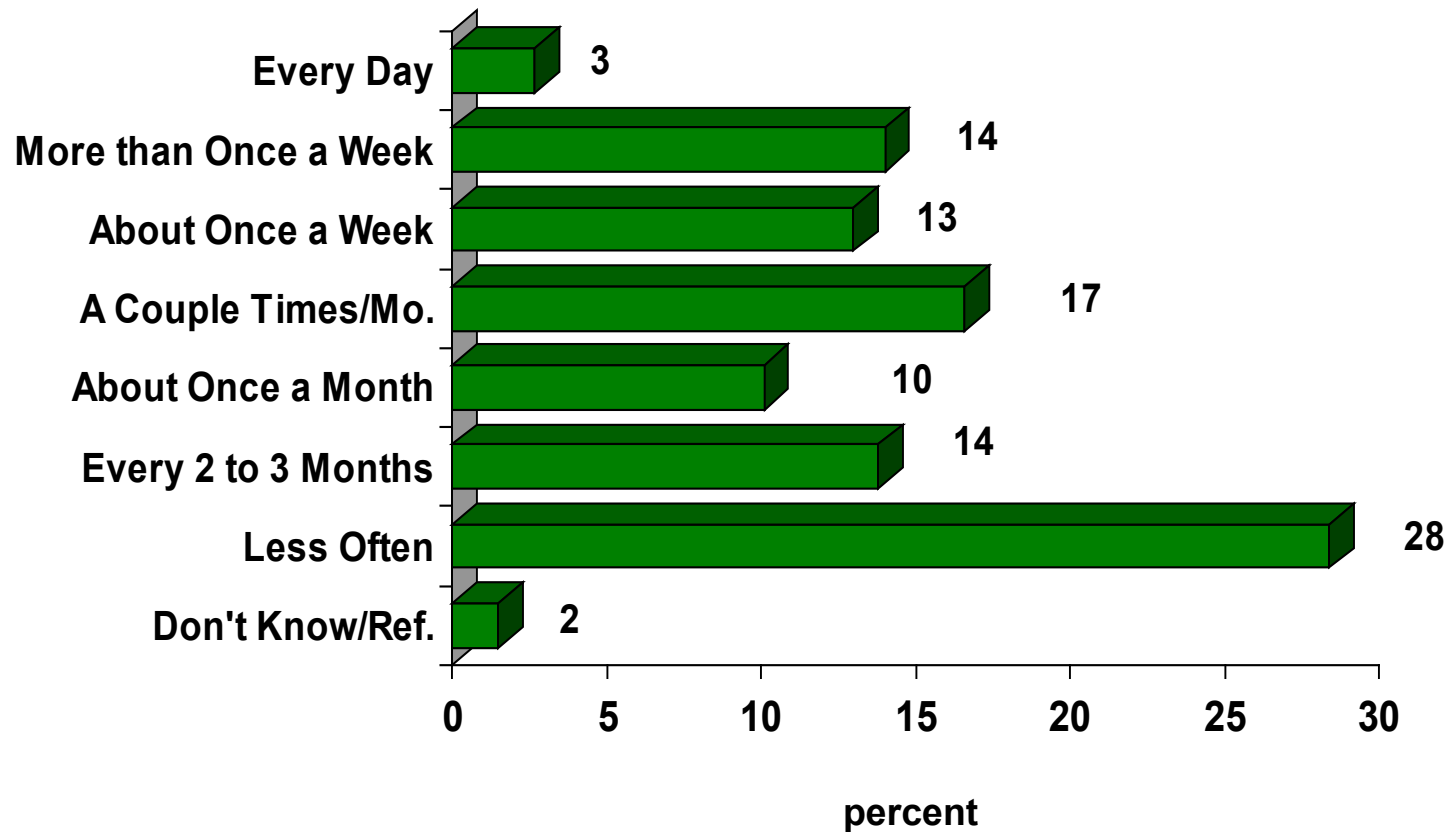
For the most part, however, the majority of *Players* tend to fall into the *Infrequent* (42%) and *Occasional* (27%) categories, while only 17% are *Frequent*, and 13% are *Regular*.

(“Frequent” = more than once a week; “Regular” = about once a week; “Occasional” = one to three times a month; “Infrequent” = less than once a month.)

- Most *Players* have only played one (27%) or two (38%) of the five games offered by the SC Education Lottery; only 6% have played them all (ever).

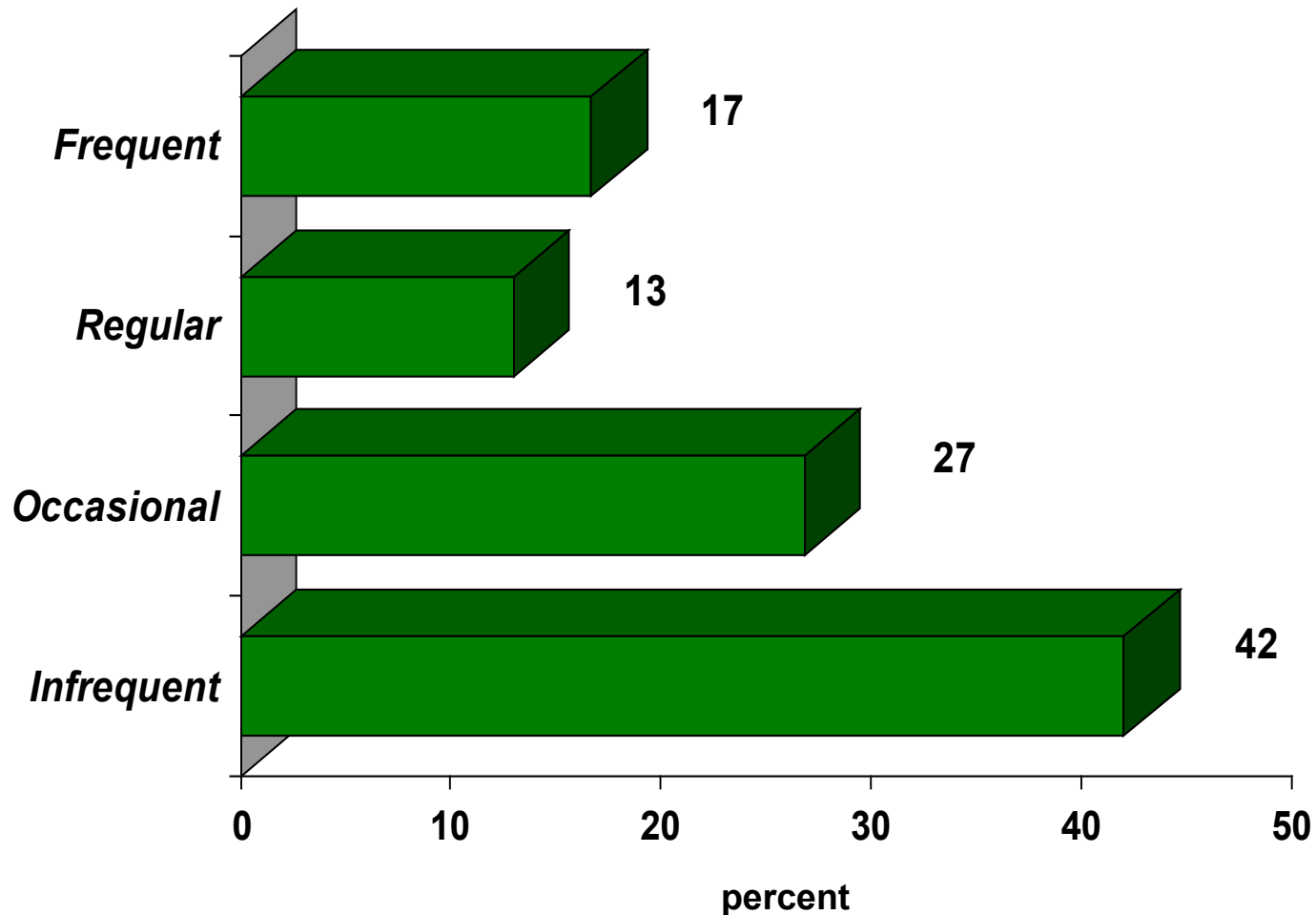
Frequency of Play within the Past Year (Any Game)

(among *Players*, N = 538)



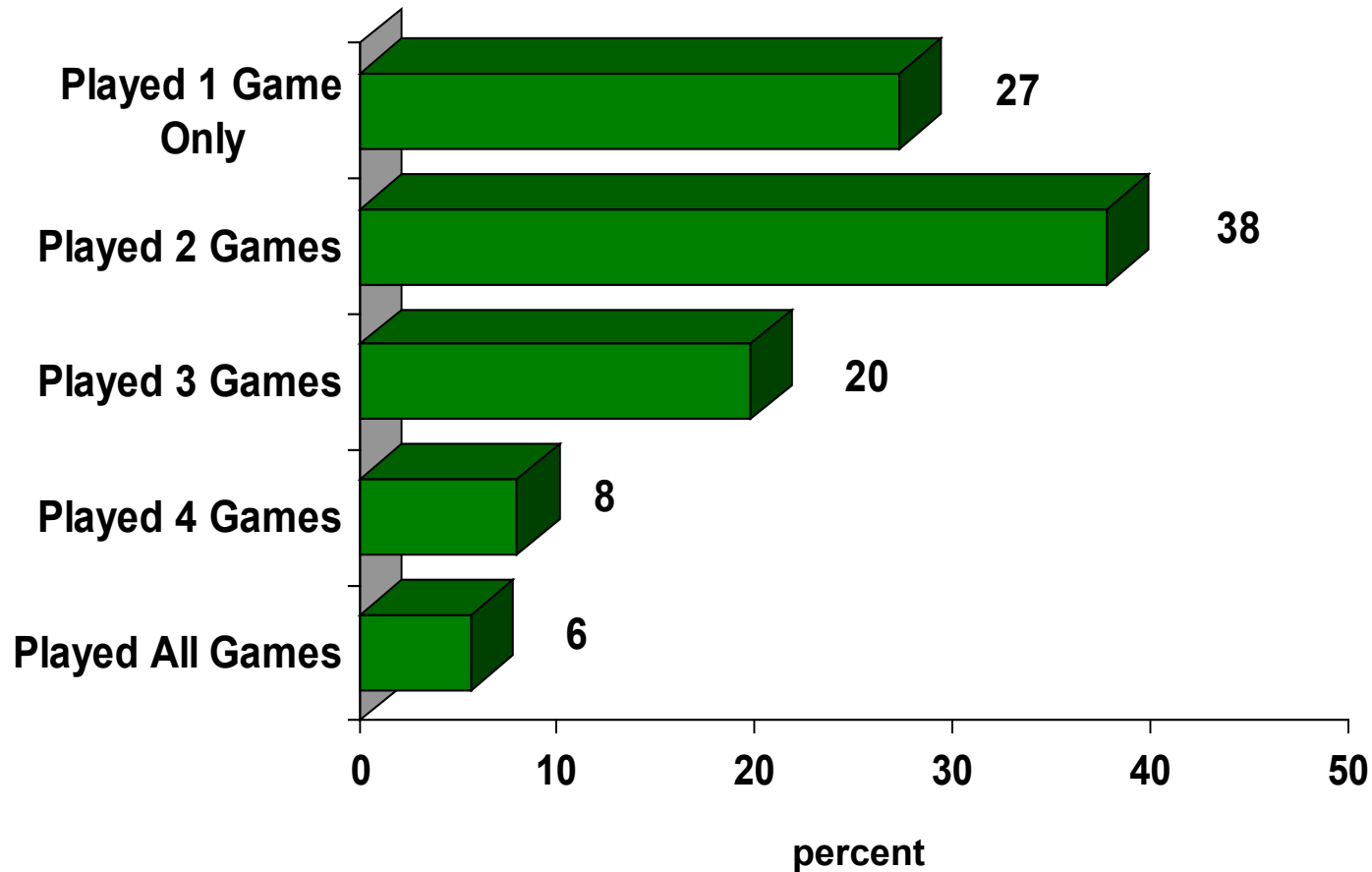
Player Distribution by Frequency of Play

(among *Players*, N = 538)



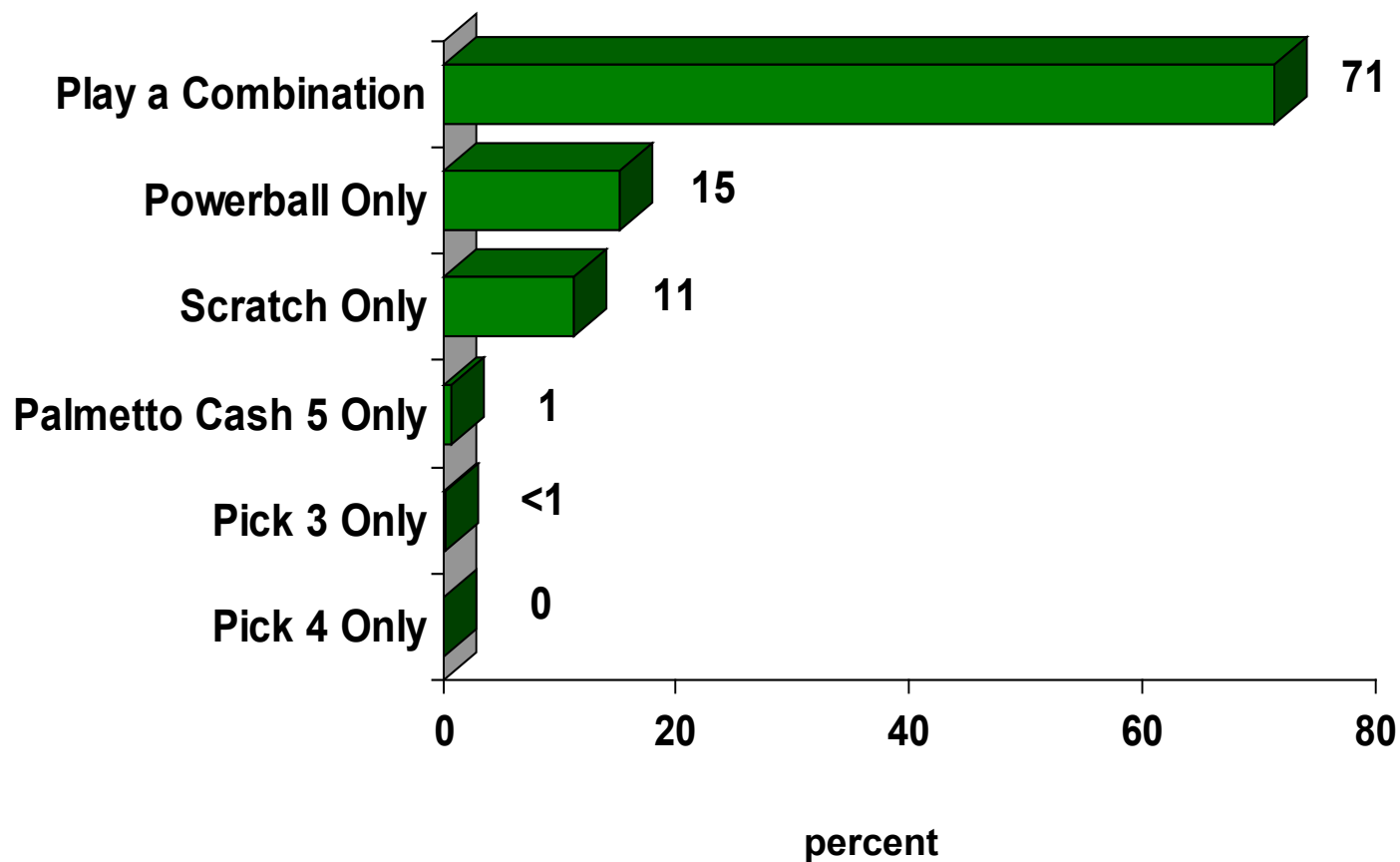
Number of Games Played (Ever)

(among *Players*, N = 538)



Games Played (Ever)

(among *Players*, N = 538)



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Demographic Profile of Players and Non-Players

Player Profile

- Demographically, the majority of SC Education Lottery “Players”:
 - ✓ are between the ages of 25 and 54 (68%);
 - ✓ are Caucasian (63%);
 - ✓ are employed outside the home (62%);
 - ✓ have at least some college education (56%);
 - ✓ are married (54%);
 - ✓ have no children under 18 in the household (54%);
 - ✓ have 2 to 3 people residing in their household (51%);
 - ✓ are female (51%); and
 - ✓ have a household income under \$50,000 (50%).

Demographic Profile of Players and Non-Players

		<u>Players</u> (N = 538)	<u>Non-Players</u> (N = 462)
Gender	Male	49%	48%
	Female	51	52
Age	18 to 24	6%	8%
	25 to 34	19	17
	35 to 44	25	21
	45 to 54	24	20
	55 to 64	14	14
	65+	12	21
Marital Status	Married	54%	65%
	Single	24	19
	Widowed/Divorced/Sep.	20	15

Demographic Profile of Players and Non-Players

		<u>Players</u> (N = 538)	<u>Non-Players</u> (N = 462)
Household Size	1	16%	17%
	2 to 3	51	51
	4 to 5	28	25
	6 or More	5	6
Children in HH	None	54%	59%
	1	19	16
	2	18	13
	3 to 4	8	10
	5 or More	1	2

Demographic Profile of Players and Non-Players

		<u>Players</u> (N = 538)	<u>Non-Players</u> (N = 462)
Primary Ethnicity	Caucasian/White	63%	72%
	African-American/Black	34	25
	Other	3	3
Household Income	Under \$10,000	6%	9%
	\$10,000 to \$19,999	13	6
	\$20,000 to \$29,999	15	10
	\$30,000 to \$39,999	9	11
	\$40,000 to \$49,999	7	8
	\$50,000 to \$59,999	11	11
	\$60,000 to \$69,999	6	5
	\$70,000 to \$79,999	6	4
	\$80,000+	12	13
	Refused	16	24

Demographic Profile of Players and Non-Players

		<u>Players</u> (N = 538)	<u>Non-Players</u> (N = 462)
Education	Less than HS	9%	11%
	HS Diploma or GED	34	33
	Some College or Technical School	19	15
	2-Year College or Associate Degree	12	8
	4-Year College Degree	16	20
	College Courses for Advanced Degree	2	2
	Advanced Degree	7	11
	Refused	1	1

Demographic Profile of Players and Non-Players

		<u>Players</u> (N = 538)	<u>Non-Players</u> (N = 462)
Employed Outside the Home	Yes	62%	52%
	No	37	48
		(N = 334)	(N = 242)
Hours Worked/ Week (among those employed)	Less than 10	1%	2%
	10 to 14	1	2
	15 to 20	3	3
	21 to 30	5	8
	31 to 37	8	5
	38 to 40	41	36
	More than 40	41	42
	Don't Know/Refused	1	2

Demographic Profile of Players and Non-Players

		<u>Players</u> (N = 334)	<u>Non-Players</u> (N = 242)
Type of Business/ Industry (among those employed)	Professional/Medical	24%	28%
	Service	23	22
	Manufacturer	20	19
	Government	8	9
	Retail	8	7
	Financial	3	2
	Wholesale	2	2
	Other	12	12

Demographic Profile of Players and Non-Players

		<u>Players</u> (N = 334)	<u>Non-Players</u> (N = 242)
Job Function (among those employed)	Managerial/Professional	27%	36%
	Laborer/Operations/Fabrications	25	17
	Sales/Admin. Support/Tech.	20	18
	Medical	9	6
	Service	7	7
	Teaching	4	10
	Precision Production/Repair	3	2
	Other	6	5

Demographic Profile of Players and Non-Players

		<u>Players</u> (N = 538)	<u>Non-Players</u> (N = 462)
Area Code	803	36%	31%
	843	33	35
	864	32	35

Incidence Profiles/Disproportionate Representation

- In large part, however, the reason that Lottery players have these demographic profiles is because these segments represent the majority of South Carolina residents in general.

By looking at incidence of Lottery play among each of the demographic groups, we can get a better perspective of which segments are more inclined to play than others.

For example, 54% of all residents indicate they have *ever* played the South Carolina Education Lottery. Among African-Americans, however, 62% indicate they have ever played. This compares to 50% of Caucasians. Therefore, although the majority of players are Caucasian, incidence is disproportionately higher among African-Americans.

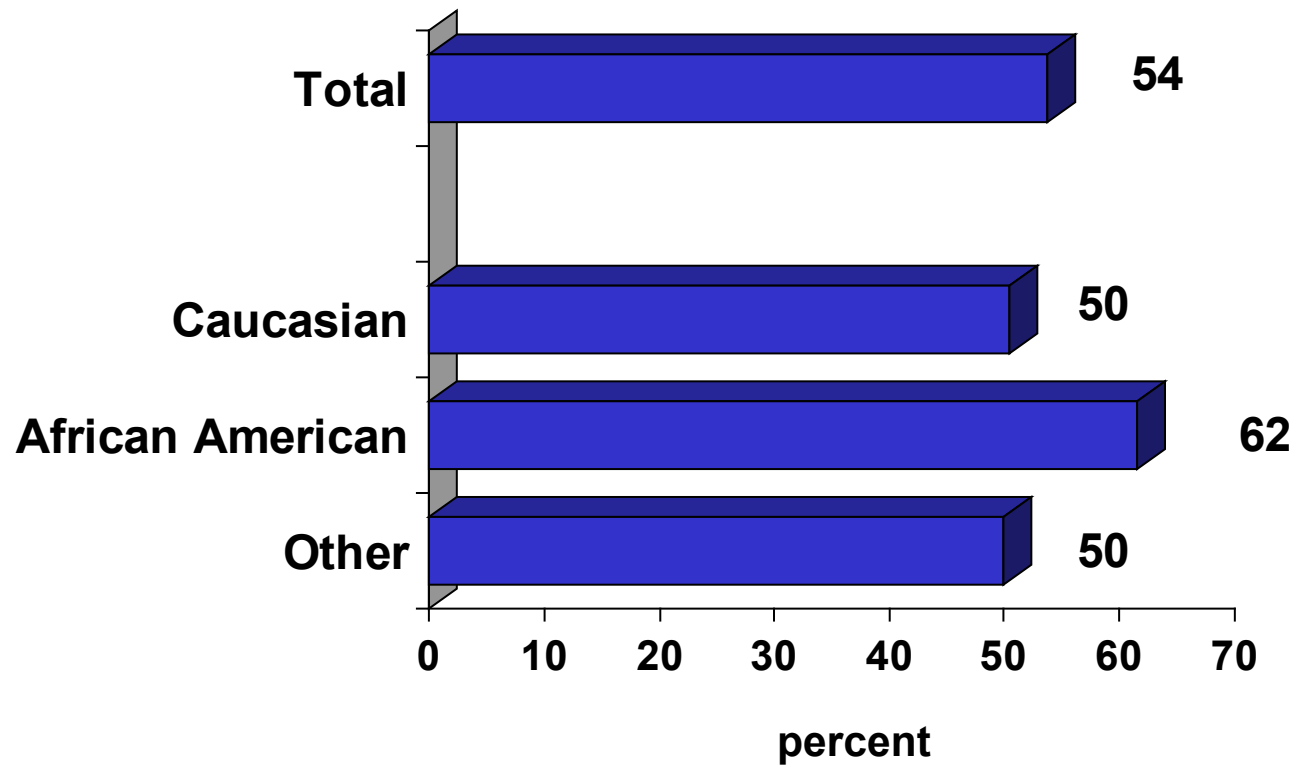
Incidence Profiles/Disproportionate Representation

- Demographic segments with a **disproportionately high incidence of Lottery play** include:
 - ✓ African-Americans (62%);
 - ✓ Those with household incomes under \$30,000 per year (62%);
 - ✓ Those who are divorced/widowed (61%) or single (60%);
 - ✓ Those employed full time outside the home (59%);
 - ✓ Those with high school (55%) or some college/tech education but no college degree (61%); and
 - ✓ Those between the ages of 35 and 54 (58%) and those under the age of 35 (55%).

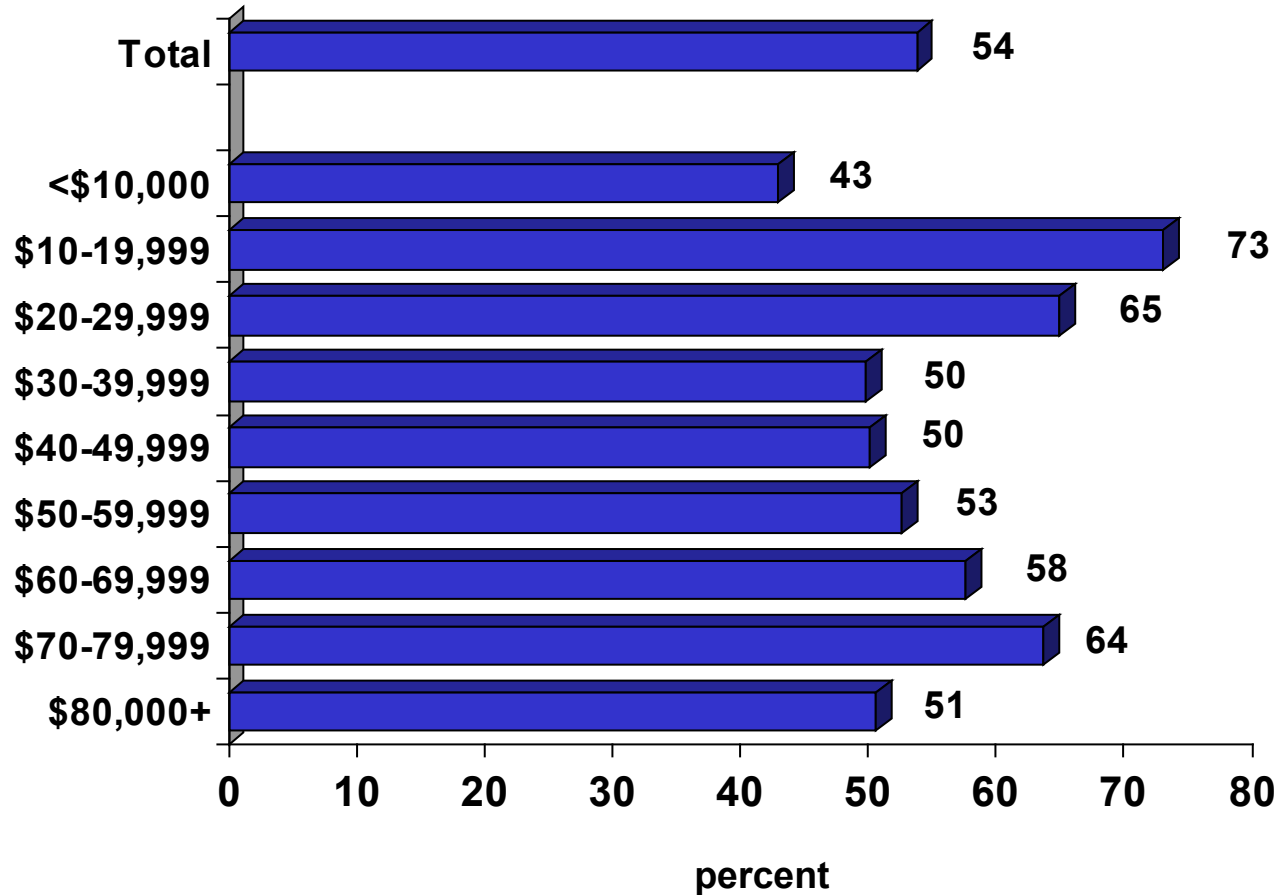
Incidence Profiles/Disproportionate Representation

- Incidence of play also tends to be somewhat higher among residents of the 803 area code (57%) than those elsewhere in the state (52%).
- Interestingly, while incidence of play used to be disproportionately high among men, for the first time it is consistent between men and women this year at 54%.

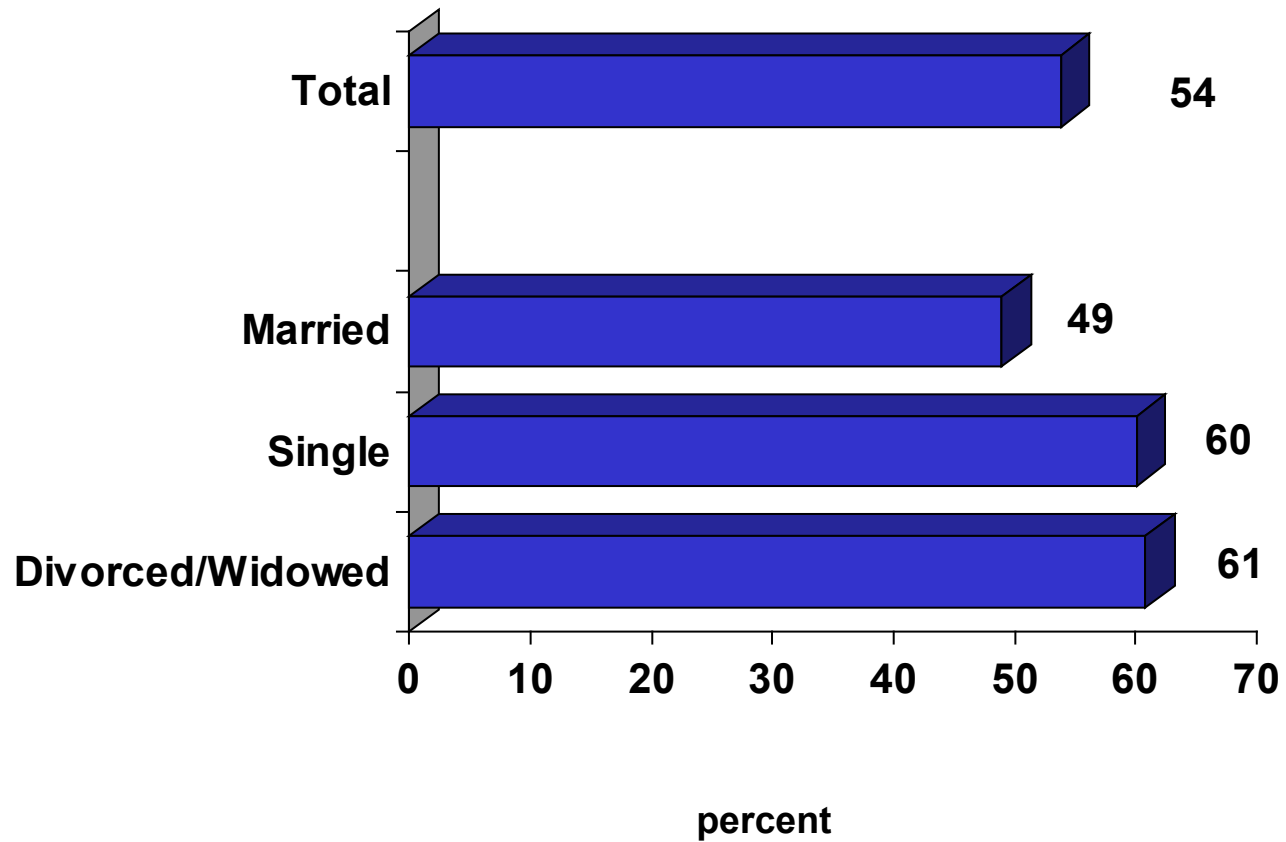
Player Incidence by Ethnicity



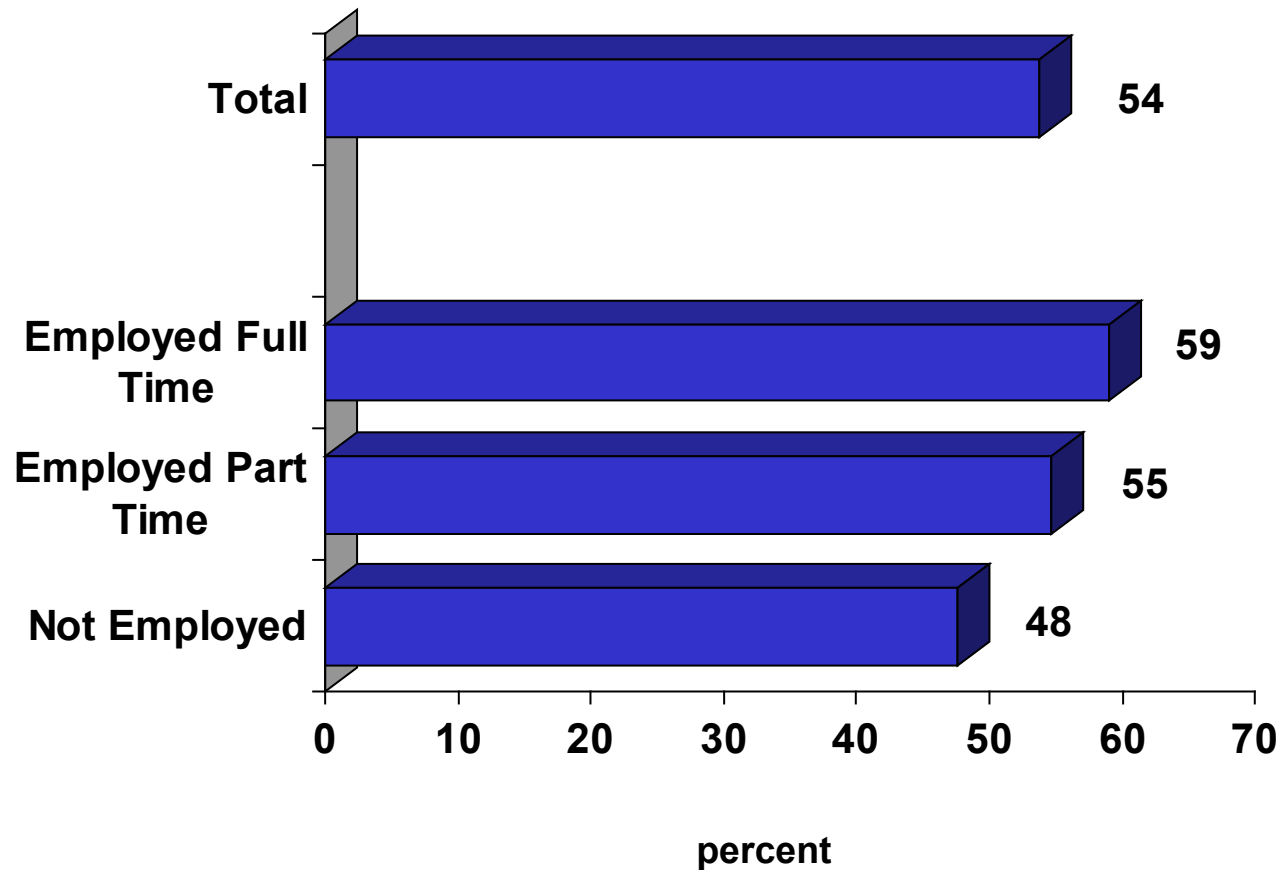
Player Incidence by Household Income



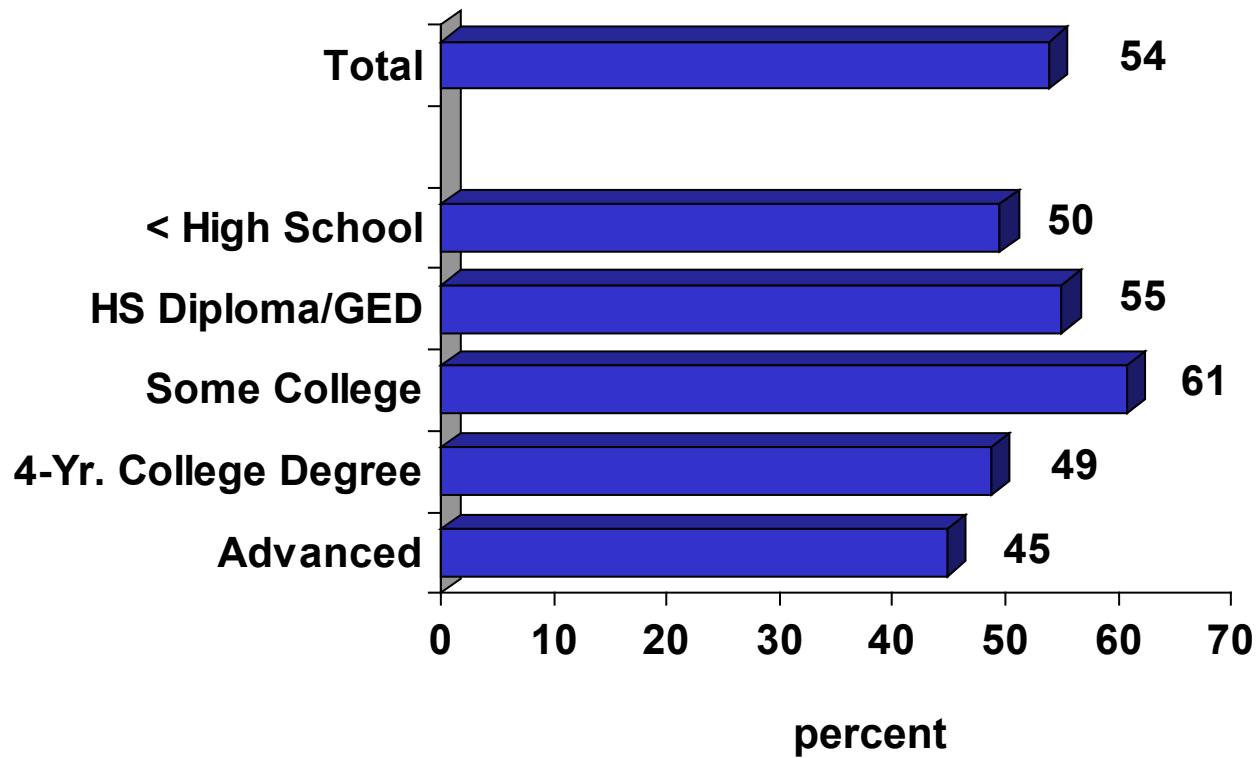
Player Incidence by Marital Status



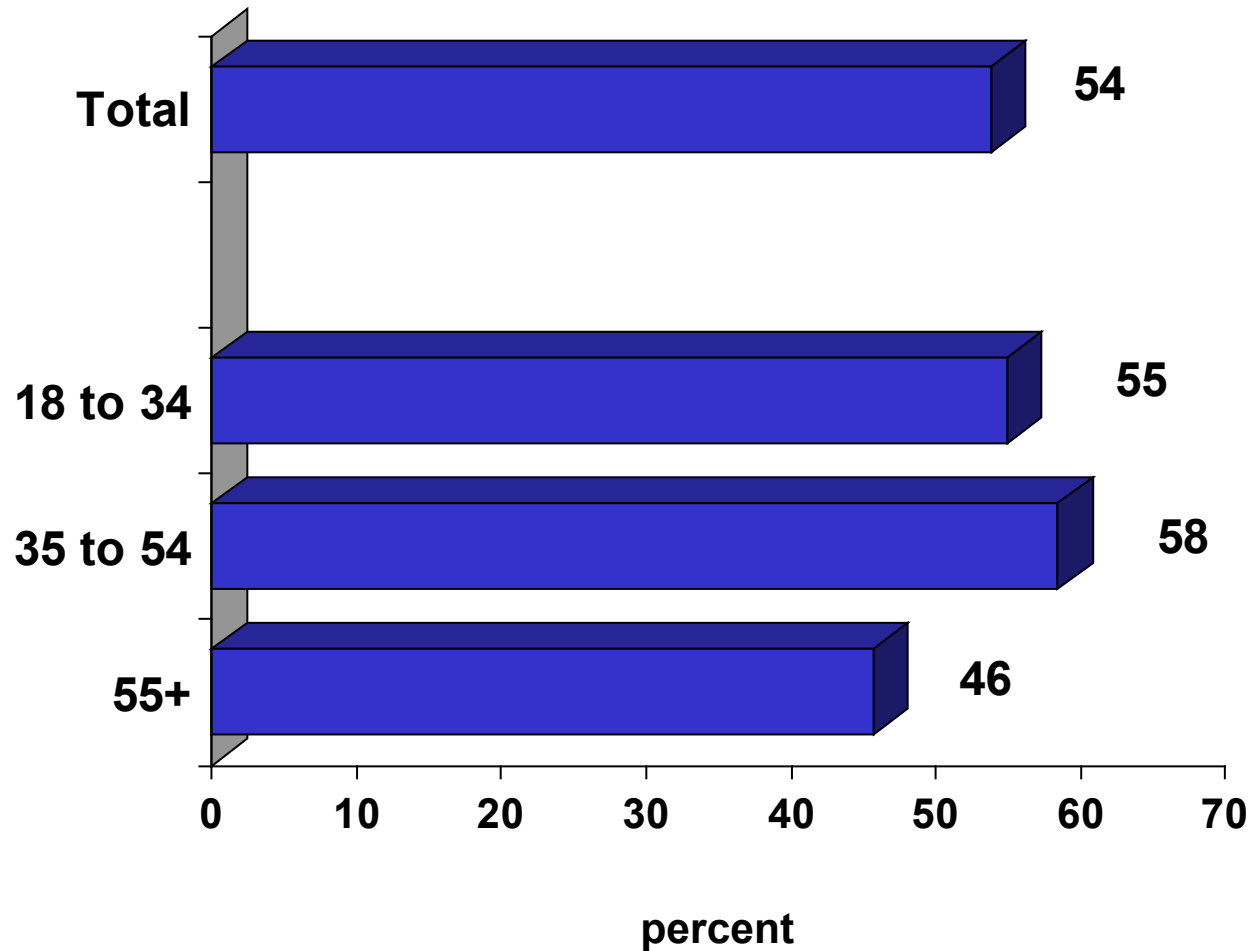
Player Incidence by Employment Status



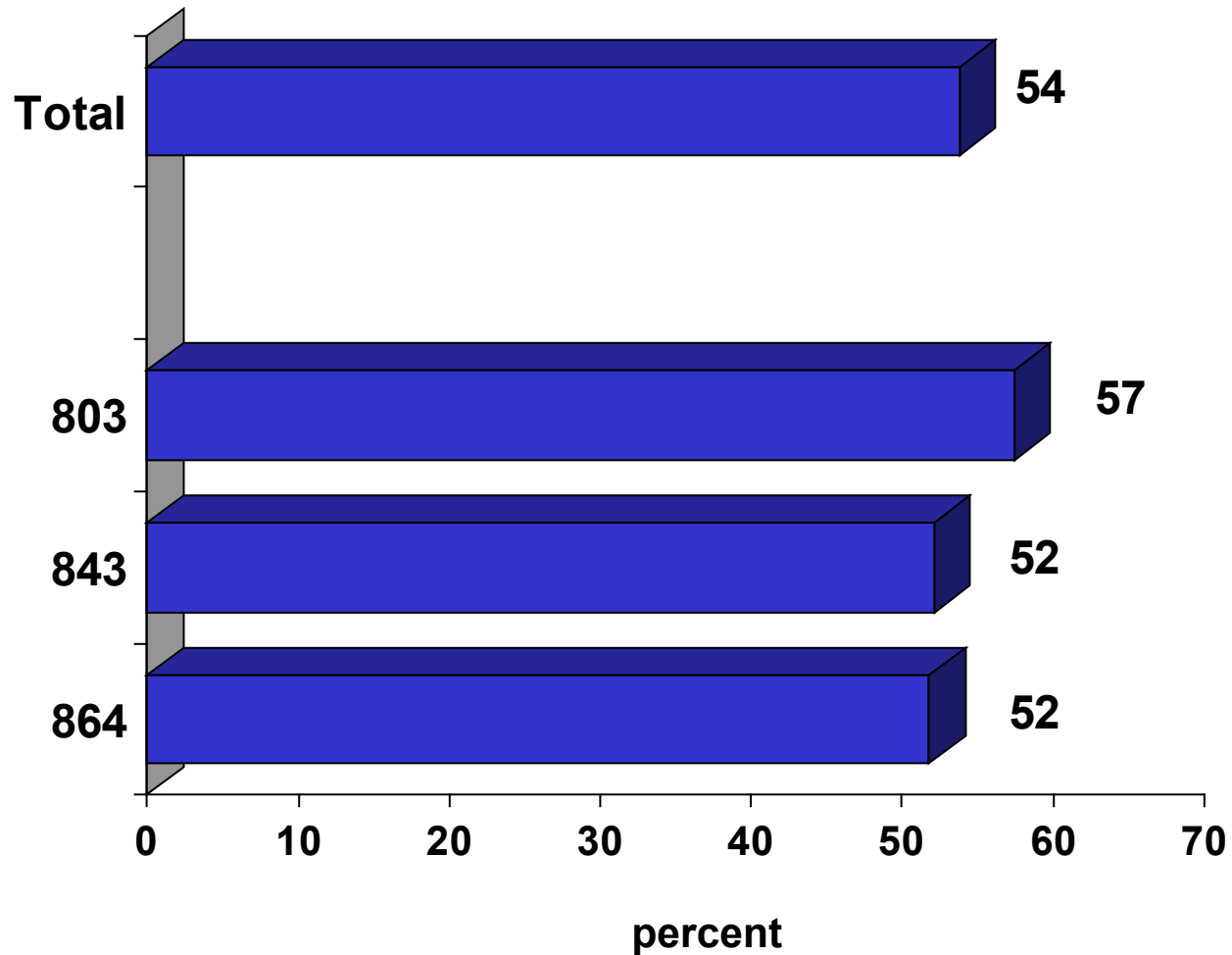
Player Incidence by Education



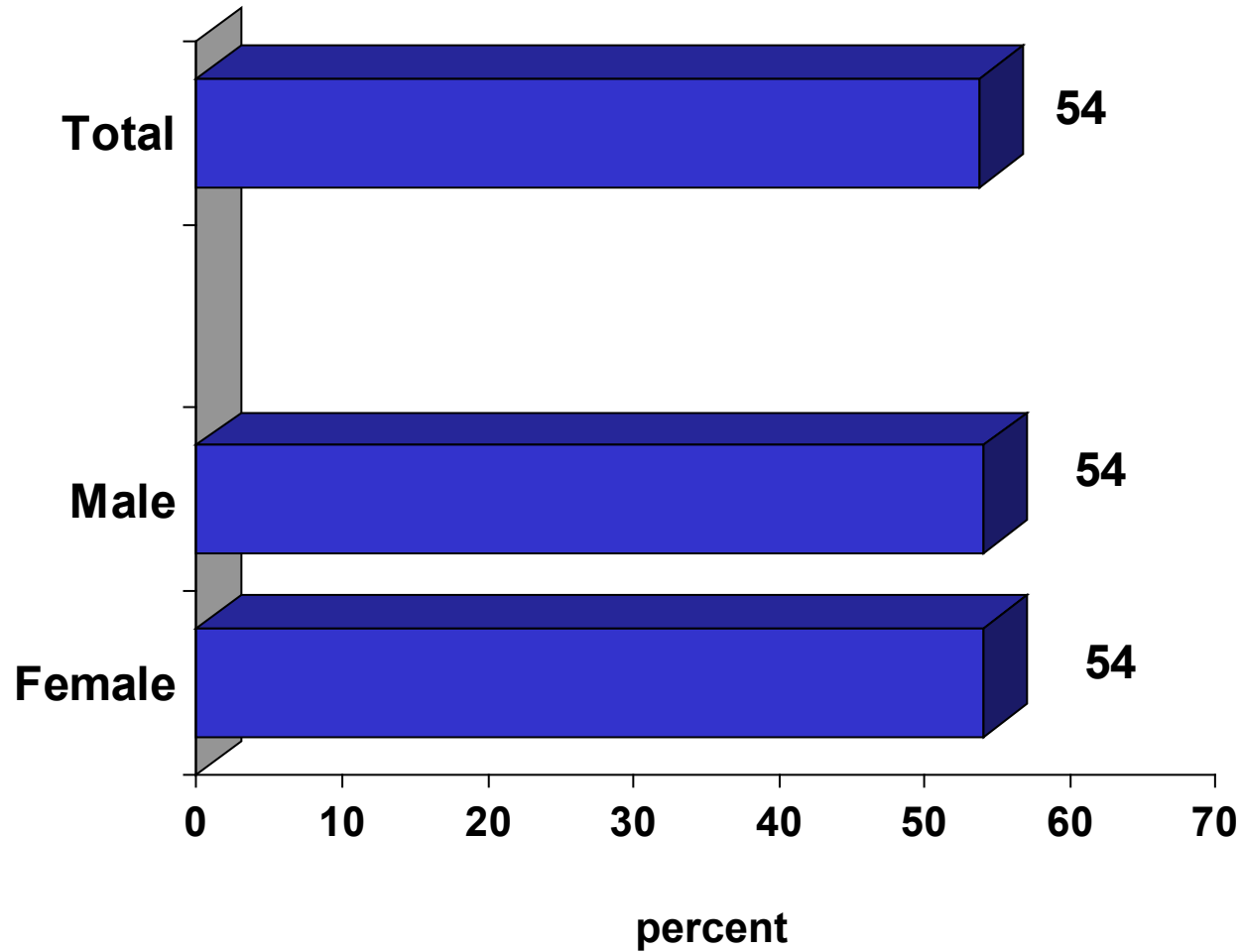
Player Incidence by Age



Player Incidence by Area Code



Player Incidence by Gender



Variation in Demographic Profile Based on Game Played

- Findings identify some variations in the demographic profiles of *Players* based on which game or games they actively play.
- In general, Powerball, Scratch Off, and Palmetto Cash 5 *players* tend to cut across all the demographic segments. Compared to *players* of other SCEL games, however, they are more likely to be:
 - ✓ Caucasian;
 - ✓ Married;
 - ✓ Employed in professional/managerial positions; and
 - ✓ From upper income households.

In addition, Scratch Off *players* tend to skew toward younger ages.

Variation in Demographic Profile Based on Game Played

- In contrast, Pick 3 and Pick 4 *players* are significantly more likely to be:
 - ✓ African-American;
 - ✓ From lower income households; and
 - ✓ Less well-educated.

Demographic Profile of *Active Players* by Game Played

		<u>Scratch Off</u> (N = 235)	<u>Pick 3</u> (N = 93)	<u>Pick 4*</u> (N = 40)	<u>Palmetto Cash 5</u> (N = 84)	<u>Powerball</u> (N = 251)
Gender	Male	51%	52%	53%	60%	58%
	Female	49	48	47	40	42
Age	18 to 24	8%	5%	9%	6%	4%
	25 to 34	23	15	8	8	15
	35 to 44	23	28	27	19	26
	45 to 54	24	29	34	30	26
	55 to 64	12	15	34	30	26
	65+	12	15	15	19	11
Marital Status	Married	50%	34%	32%	47%	56%
	Single	25	36	37	22	20
	Widowed/Divorced/Sep.	22	29	32	31	21

Demographic Profile of *Active Players* by Game Played

		<u>Scratch Off</u> (N = 235)	<u>Pick 3</u> (N = 93)	<u>Pick 4*</u> (N = 40)	<u>Palmetto Cash 5</u> (N = 84)	<u>Powerball</u> (N = 251)
Household Size	1	14%	21%	24%	24%	16%
	2 to 3	47	48	57	46	47
	4 to 5	32	29	20	27	31
	6 or More	5	1	0	3	4
Children in HH	None	52%	56%	73%	68%	54%
	1	20	25	15	12	20
	2	18	18	10	17	17
	3 to 4	8	1	1	4	6
	5 or More	1	0	0	0	1

Demographic Profile of *Active Players* by Game Played

		<u>Scratch Off</u> (N = 235)	<u>Pick 3</u> (N = 93)	<u>Pick 4*</u> (N = 40)	<u>Palmetto Cash 5</u> (N = 84)	<u>Powerball</u> (N = 251)
Ethnicity	Caucasian	54%	22%	17%	54%	64%
	African-American	45	74	78	41	34
	Other	1	4	6	4	3
HH Income	Under \$10,000	9%	14%	25%	9%	6%
	\$10,000 to \$19,999	16	19	14	14	12
	\$20,000 to \$29,999	18	21	30	17	18
	\$30,000 to \$39,999	8	8	3	10	8
	\$40,000 to \$49,999	7	3	6	11	7
	\$50,000 to \$59,999	10	9	10	11	10
	\$60,000 to \$69,999	6	5	0	2	8
	\$70,000 to \$79,999	6	1	0	7	8
	\$80,000+	8	4	3	5	11
	Refused	11	16	9	14	14

Demographic Profile of *Active Players* by Game Played

		<u>Scratch Off</u> (N = 235)	<u>Pick 3</u> (N = 93)	<u>Pick 4*</u> (N = 40)	<u>Palmetto Cash 5</u> (N = 84)	<u>Powerball</u> (N = 251)
Education	Less than HS	14%	18%	15%	16%	9%
	HS Diploma or GED	41	45	55	42	33
	Some College or Technical School	20	10	9	11	18
	2-Year College or Associate Degree	9	10	6	10	15
	4-Year College Degree	11	12	5	16	17
	College Courses for Advanced Degree	2	3	3	1	1
	Advanced Degree	3	3	3	3	6
	Refused	1	1	3	1	1

Demographic Profile of *Active Players* by Game Played

		<u>Scratch Off</u> (N = 235)	<u>Pick 3</u> (N = 93)	<u>Pick 4*</u> (N = 40)	<u>Palmetto Cash 5</u> (N = 84)	<u>Powerball</u> (N = 251)
Employment	Yes	65%	58%	62%	53%	63%
	No	34	39	35	46	36
		(N = 152)	(N = 54)*	(N = 25)*	(N = 44)*	(N = 159)
Hours Worked per Week (among those employed)	Less than 10	0%	0%	0%	0%	1%
	10 to 14	1	2	5	3	1
	15 to 20	2	2	0	3	4
	21 to 30	5	6	10	5	4
	31 to 37	8	5	15	8	7
	38 to 40	44	52	41	47	44
	More than 40	40	33	30	35	37
	Don't Know/ Refused	0	0	0	0	1

Demographic Profile of *Active Players* by Game Played

		<u>Scratch Off</u> (N = 152)	<u>Pick 3*</u> (N =54)	<u>Pick 4*</u> (N = 25)	<u>Palmetto Cash 5*</u> (N = 44)	<u>Powerball</u> (N = 159)
Type of Business/ Industry (among those employed)	Professional/ Medical	21%	16%	10%	17%	22%
	Service	21	22	28	23	19
	Manufacturing	26	37	39	33	26
	Government	7	7	10	3	7
	Retail	11	8	6	6	8
	Financial	2	2	0	3	4
	Wholesale	3	5	5	4	3
	Other	8	3	2	11	12

Demographic Profile of *Active Players* by Game Played

		<u>Scratch Off</u> (N = 152)	<u>Pick 3*</u> (N =54)	<u>Pick 4*</u> (N = 25)	<u>Palmetto Cash 5*</u> (N = 44)	<u>Powerball</u> (N = 159)
Job Function (among those employed)	Managerial/ Professional	21%	17%	9%	22%	23%
	Laborer/Operations/ Fabrications	36	35	39	40	27
	Sales/Admin./ Technical	18	20	21	19	22
	Medical	9	11	10	5	11
	Service Occupation	8	5	0	11	7
	Teaching	3	5	5	3	2
	Precision Production, Craft & Repair	2	5	10	0	2
	Other	4	3	7	1	6

Demographic Profile of *Active Players* by Game Played

		<u>Scratch Off</u> (N = 235)	<u>Pick 3</u> (N = 93)	<u>Pick 4*</u> (N = 40)	<u>Palmetto Cash 5</u> (N = 84)	<u>Powerball</u> (N = 251)
Area Code	803	36%	39%	29%	27%	32%
	843	29	34	31	38	37
	864	35	27	40	36	31

Variations in Demographic Profile Based on Frequency of Play

- Findings also identify variations in *Player* profiles based on the frequency of play.
- *Frequent* and *Regular Players* (those who play at least one game at least once a week) are more likely than those who play less frequently to be/have:
 - ✓ Male;
 - ✓ Over 45 years of age;
 - ✓ No children in the household;
 - ✓ High school education or less; and
 - ✓ Employed in manufacturing and/or as a laborer/fabricator/operator.

Variations in Demographic Profile Based on Frequency of Play

- *Occasional Players* (those who play a couple times a month) are more likely than others to be/have:
 - ✓ Female;
 - ✓ Under 45 years of age;
 - ✓ Multiple children in the household;
 - ✓ At least some college or technical education;
 - ✓ Caucasian; and
 - ✓ Household income over \$50,000+.
- *Infrequent Players* (those who play less than once a month) are very similar to *Occasional Players* except that they are more likely to be single.

Demographic Profile of *Players* by Frequency of Play

		<u>Frequent</u> (N = 90)	<u>Regular</u> (N = 70)	<u>Occasional</u> (N = 144)	<u>Infrequent</u> (N = 227)
Gender	Male	64%	58%	48%	40%
	Female	36	42	52	60
Age	18 to 24	4%	2%	7%	7%
	25 to 34	15	10	25	22
	35 to 44	20	22	27	27
	45 to 54	27	35	21	22
	55 to 64	24	14	12	11
	65+	11	17	9	10
Marital Status	Married	51%	48%	62%	51%
	Single	23	27	15	28
	Widowed/Divorced/Sep.	24	23	19	20

Demographic Profile of *Players* by Frequency of Play

		<u>Frequent</u> (N = 90)	<u>Regular</u> (N = 70)	<u>Occasional</u> (N = 144)	<u>Infrequent</u> (N = 227)
Household Size	1	18%	25%	15%	12%
	2 to 3	53	56	39	57
	4 to 5	27	16	35	27
	6 or More	1	2	11	3
Children in HH	None	67%	66%	42%	52%
	1	16	17	20	20
	2	13	12	24	18
	3 to 4	3	2	13	8
	5 or More	1	2	1	1

Demographic Profile of *Players* by Frequency of Play

		<u>Frequent</u> (N = 90)	<u>Regular</u> (N = 70)	<u>Occasional</u> (N = 144)	<u>Infrequent</u> (N = 227)
Education	Less than HS	9%	19%	7%	7%
	HS Diploma or GED	47	31	32	31
	Some College or Technical School	17	13	19	22
	2-Year College or Associate Degree	7	15	17	9
	4-Year College Degree	14	11	18	19
	College Courses for Advanced Degree	0	3	2	3
	Advanced Degree	4	8	4	9
	Refused	1	0	1	1

Demographic Profile of *Players* by Frequency of Play

		<u>Frequent</u> (N = 90)	<u>Regular</u> (N = 70)	<u>Occasional</u> (N = 144)	<u>Infrequent</u> (N = 227)
Ethnicity	Caucasian/White	56%	59%	67%	63%
	African-American/Black	42	37	32	33
	Other	3	4	1	4
Household Income	Under \$10,000	7%	8%	4%	6%
	\$10,000 to \$19,999	13	15	11	13
	\$20,000 to \$29,999	19	19	15	12
	\$30,000 to \$39,999	7	8	10	10
	\$40,000 to \$49,999	4	9	9	6
	\$50,000 to \$59,999	10	7	12	12
	\$60,000 to \$69,999	4	9	10	4
	\$70,000 to \$79,999	8	7	7	4
	\$80,000+	11	7	10	14
	Refused	19	12	13	17

Demographic Profile of *Players* by Frequency of Play

		<u>Frequent</u> (N = 90)	<u>Regular</u> (N = 70)	<u>Occasional</u> (N = 144)	<u>Infrequent</u> (N = 227)
Employed Outside the Home	Yes	59%	65%	61%	64%
	No	40	36	38	35
		(N = 52)	(N = 45)	(N = 88)	(N = 146)
Hours Worked per Week (among those employed)	Less than 10	0%	0%	1%	1%
	10 to 14	0	0	1	1
	15 to 20	2	8	3	2
	21 to 30	6	4	6	4
	31 to 37	5	10	9	8
	38 to 40	44	43	40	40
	More than 40	43	35	38	44
	Don't Know/ Refused	1	0	1	1

Demographic Profile of *Players* by Frequency of Play

		<u>Frequent</u> (N = 52)	<u>Regular</u> (N = 45)	<u>Occasional</u> (N = 88)	<u>Infrequent</u> (N = 146)
Type of Business/ Industry (among those employed)	Professional/ Medical	16%	19%	28%	26%
	Service	21	22	23	24
	Manufacturing	39	26	17	12
	Government	5	3	12	8
	Retail	8	11	4	10
	Financial	1	0	3	6
	Wholesale	5	4	1	2
	Other	7	15	12	12

Demographic Profile of *Players* by Frequency of Play

		<u>Frequent</u> (N = 52)	<u>Regular</u> (N = 45)	<u>Occasional</u> (N = 88)	<u>Infrequent</u> (N = 146)
Job Function (among those employed)	Managerial/Professional	31%	22%	22%	31%
	Laborer/Operations/ Fabrications	36	27	26	19
	Sales/Administrative/ Technical	13	23	20	20
	Medical	2	13	11	9
	Service Occupation	9	3	9	6
	Teaching	2	3	3	6
	Precision Production, Craft & Repair	0	6	1	3
	Other	7	5	7	5

Demographic Profile of *Players* by Frequency of Play

		<u>Frequent</u> (N = 90)	<u>Regular</u> (N = 70)	<u>Occasional</u> (N = 144)	<u>Infrequent</u> (N = 227)
Area Code	803	35%	33%	37%	36%
	843	34	35	30	32
	864	31	32	34	32

A MarketSearch Study

General Purchase Characteristics

General Purchase Characteristics

- During the past year, the bulk of SC Education Lottery *Players* played on an *occasional* (27%) or *infrequent* (42%) basis.

Still, 3% of *Players* indicate they play every day and an additional 27% play at least once a week.

- Nearly nine out of ten (89%) *Players* indicate they purchase one to five tickets per time, spending an average of \$5.80.
- *Frequent Players* not only play more often than others, they also buy more tickets and spend more money each time they play.

General Purchase Characteristics

Overall, 33% of *Frequent Players* indicate they buy more than five tickets each time they make a purchase, spending an average of \$11.30.

- The vast majority (91%) of *Players* indicate they purchase SC Education Lottery tickets at convenience stores that also sell gasoline.

Only 12% indicate they buy SC Education Lottery tickets at a grocery store and 8% at a convenience store that doesn't sell gas. (NOTE: Percentages add to more than 100% because respondents are able to identify multiple locations.)

General Purchase Characteristics

Although the vast majority of *Frequent* and *Regular Players* purchase tickets at convenience stores that sell gas, they are significantly more likely than *Occasional* and *Infrequent Players* to buy at other locations, especially grocery stores and/or convenience stores that don't sell gas.

- Findings indicate that *Players* buy SC Education Lottery tickets throughout the week.

Overall, 44% indicate they buy most of their tickets on weekdays, 32% buy most on the weekend, and 18% buy on both weekdays and the weekend.

Frequent and *Regular Players* are more likely than others to buy tickets both during the week and on weekends.

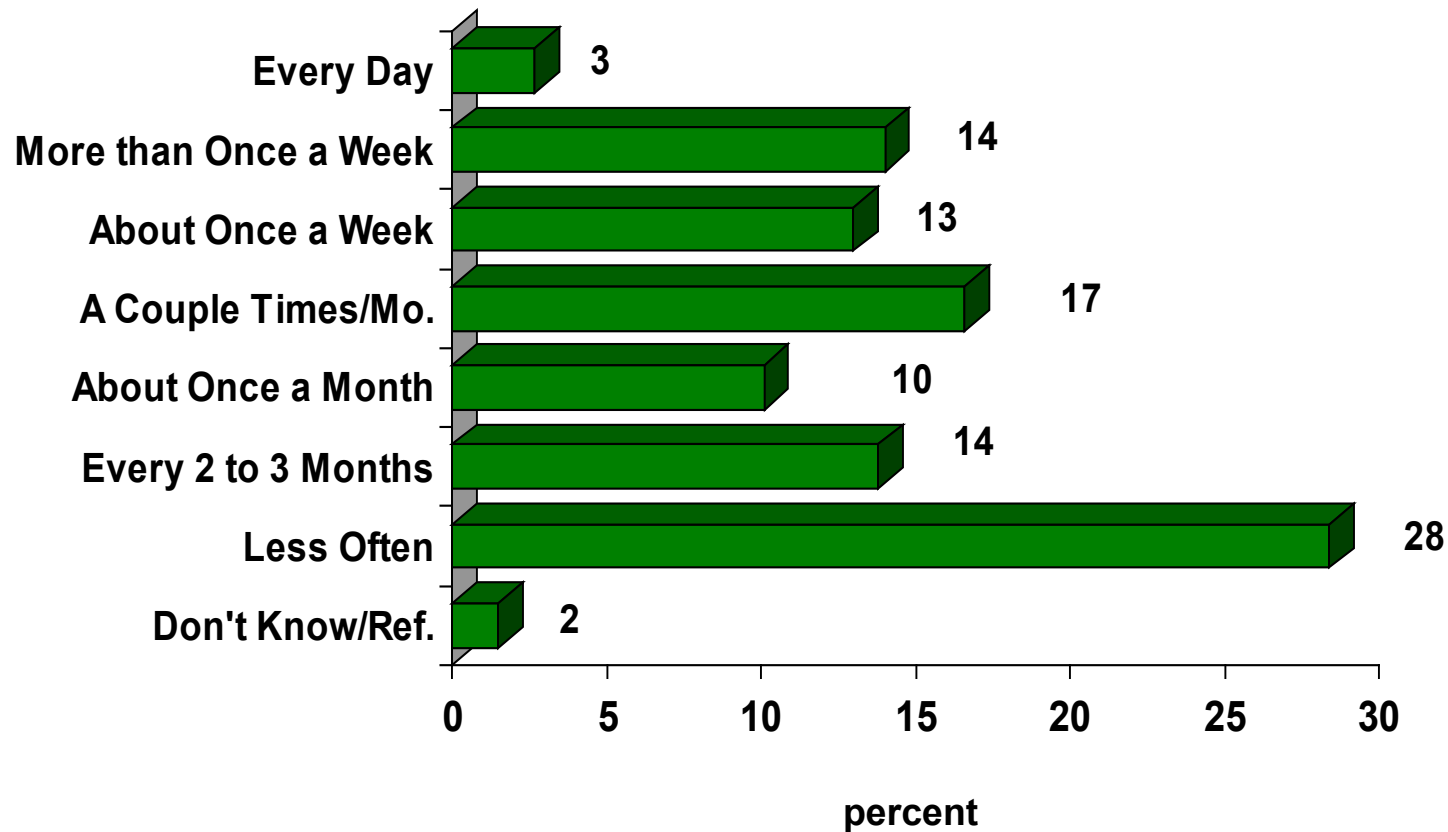
General Purchase Characteristics

- Most (60%) buy their tickets between 4:00 p.m. and 8:00 a.m.

There are not significant differences in this measure based on frequency of purchase.

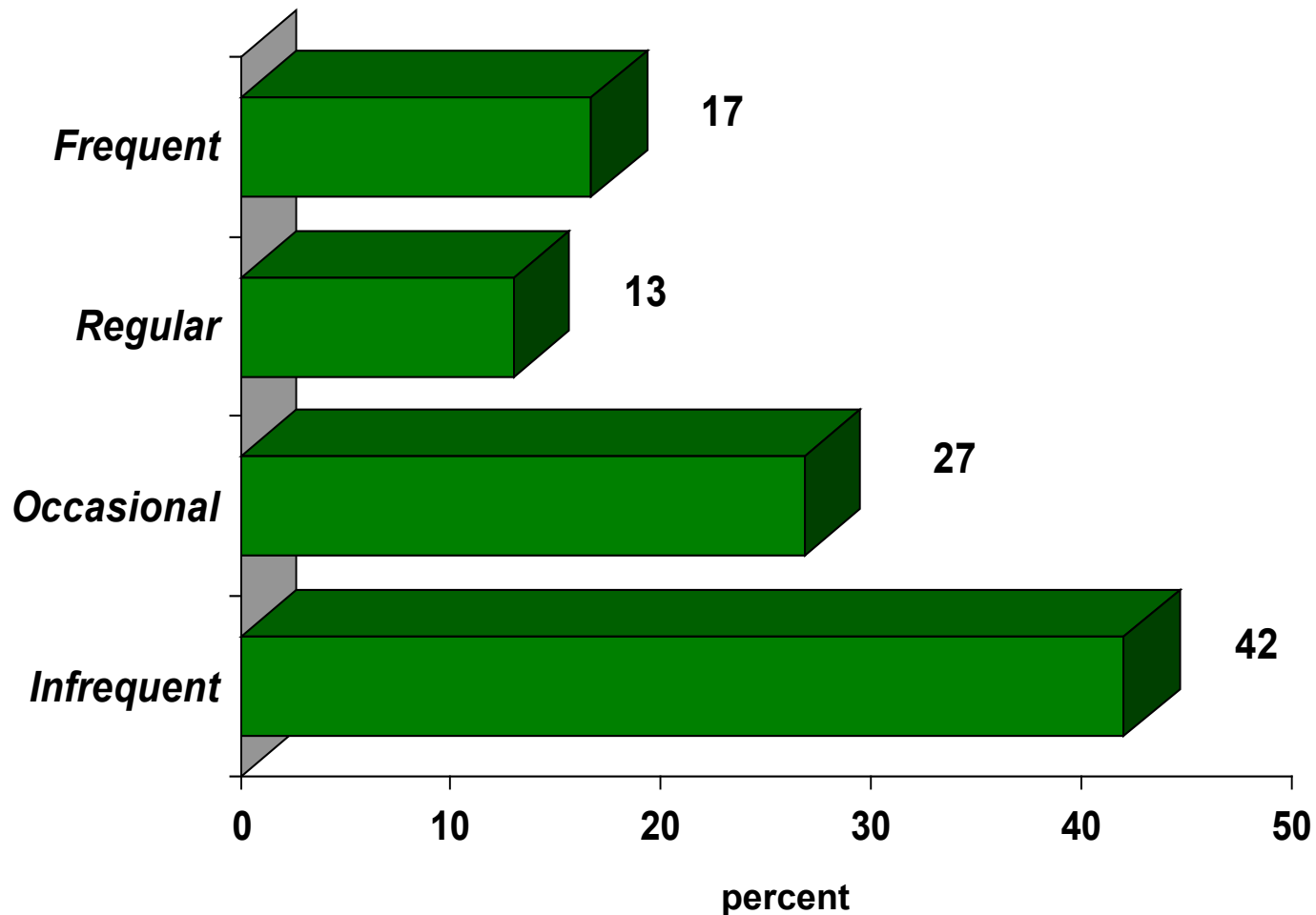
Frequency of Play within the Past Year (Any Game)

(among *Players*, N = 538)



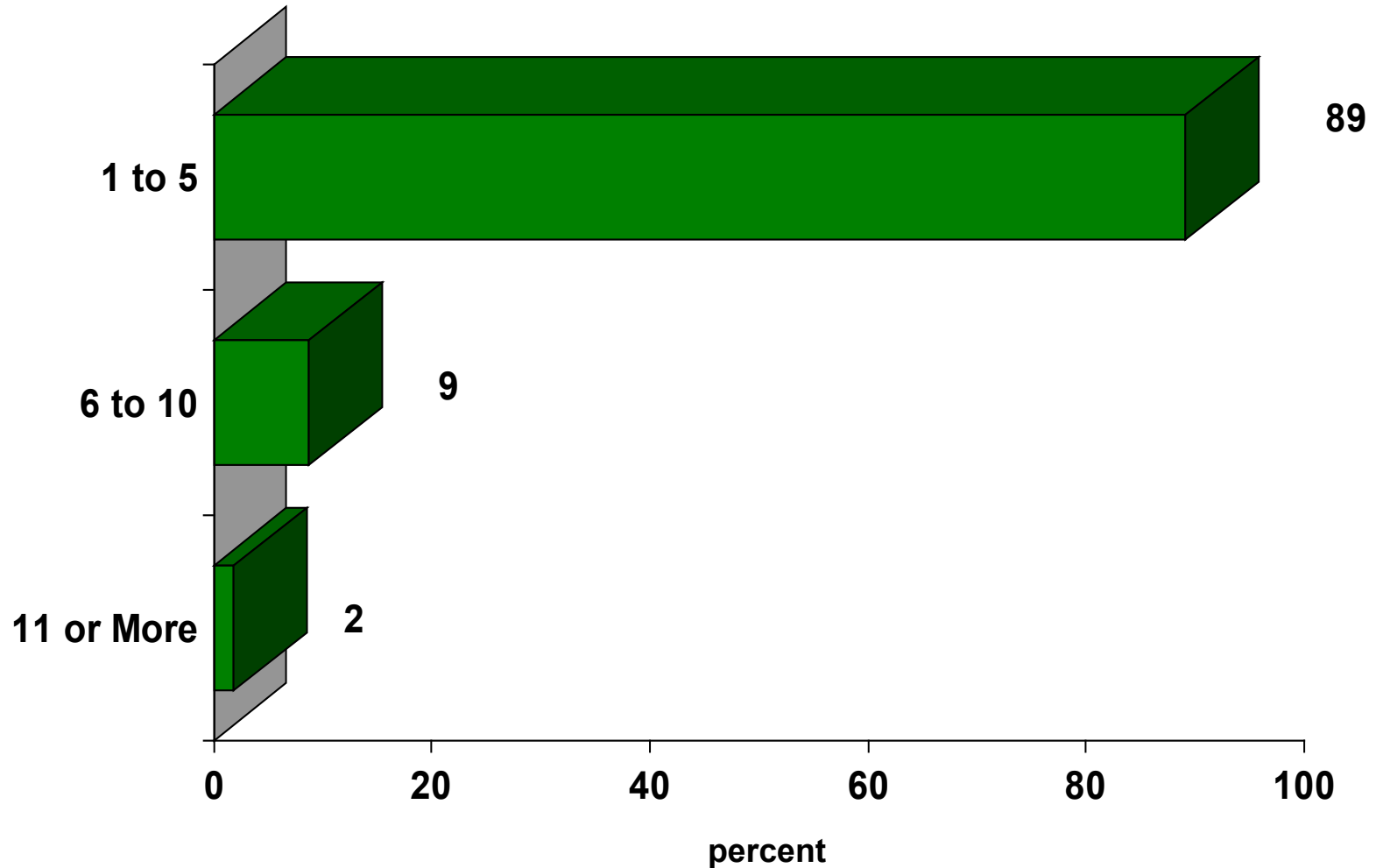
Player Distribution by Frequency of Play

(among *Players*, N = 538)



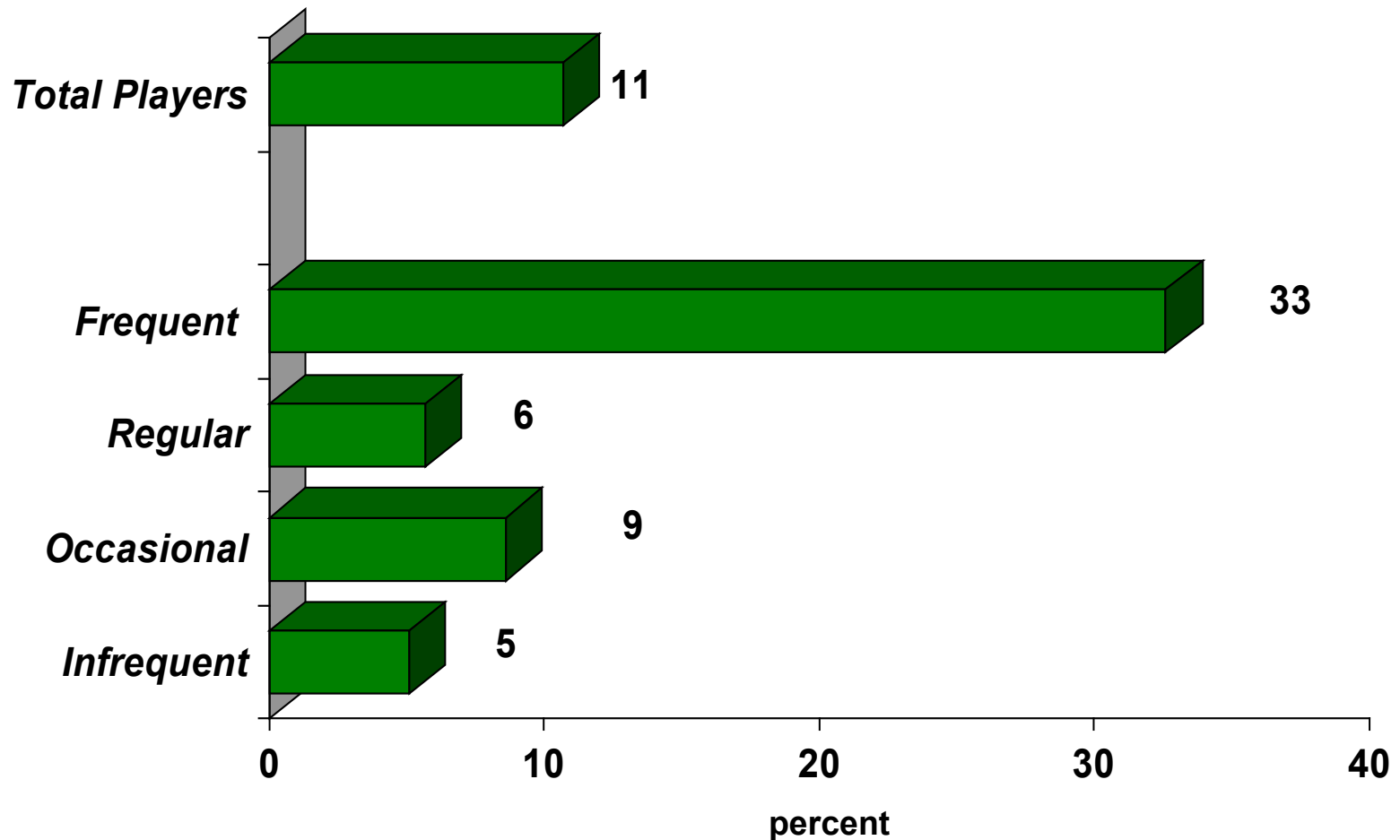
Number of Tickets Purchased per Time

(in general, among *Players*, N = 538)



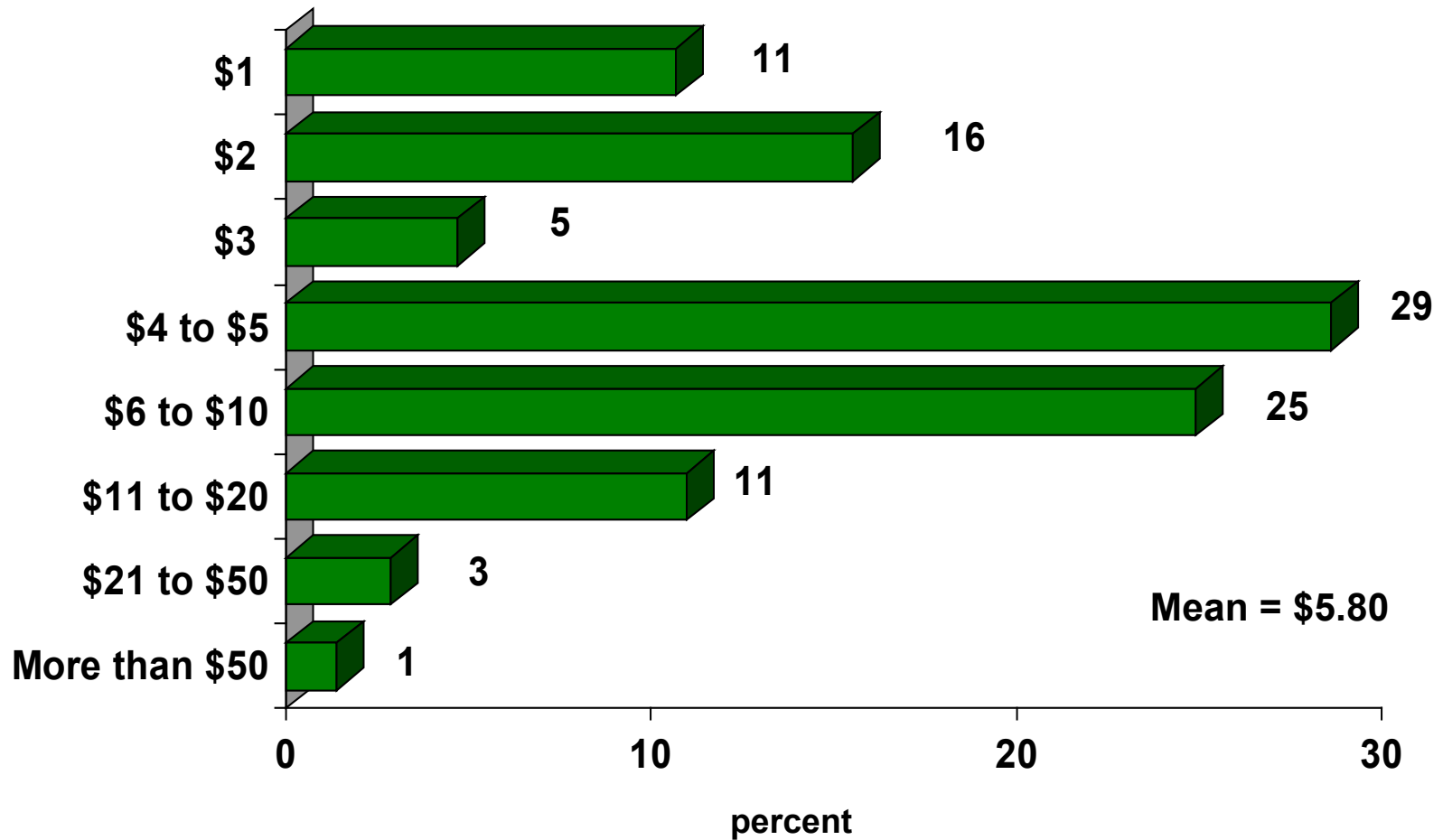
Number of Tickets Purchased per Time

(% indicating “6 or more,” in general, by general frequency of play)



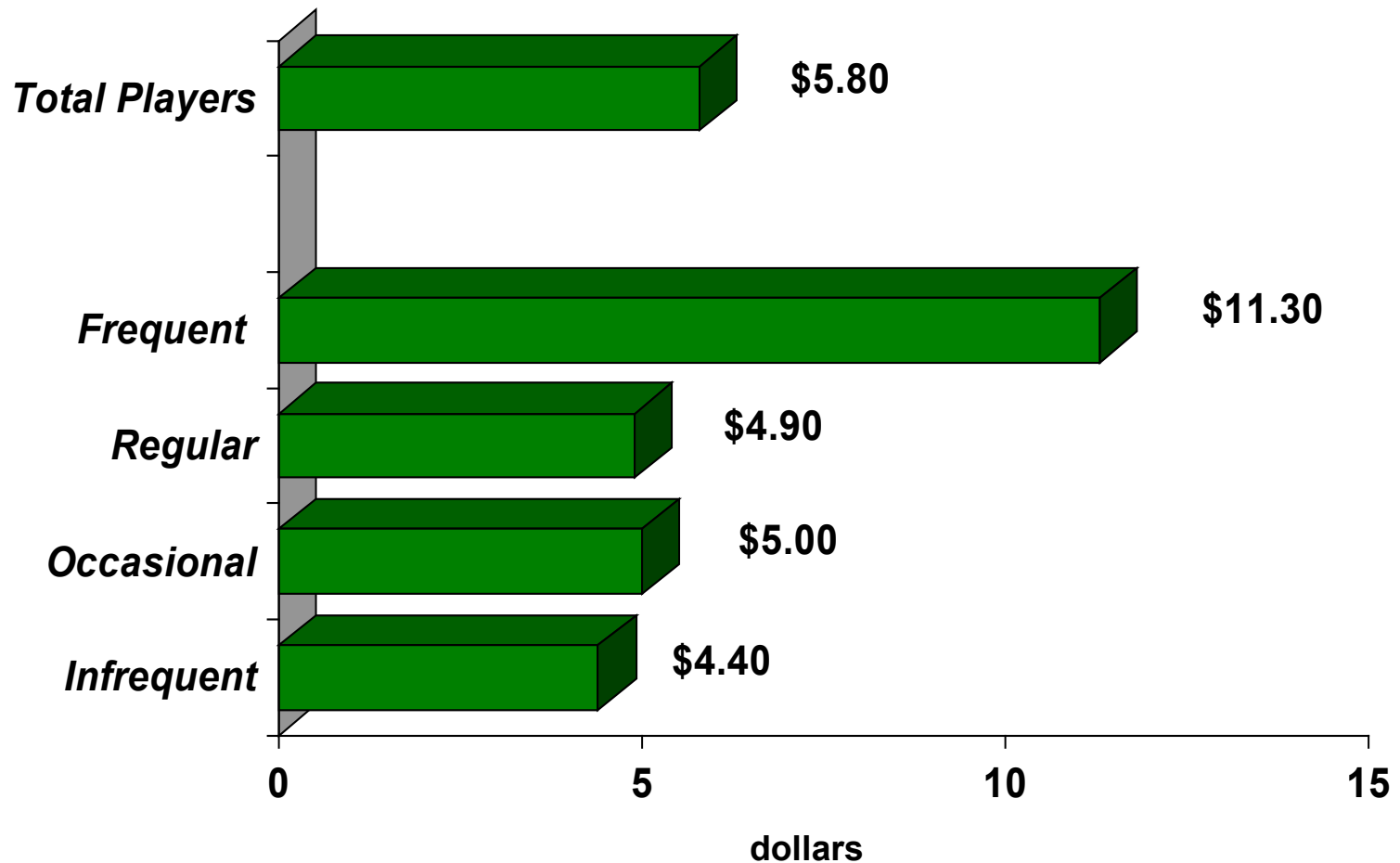
Estimated \$ Spent Per Purchase

(among *Players*, N = 538)



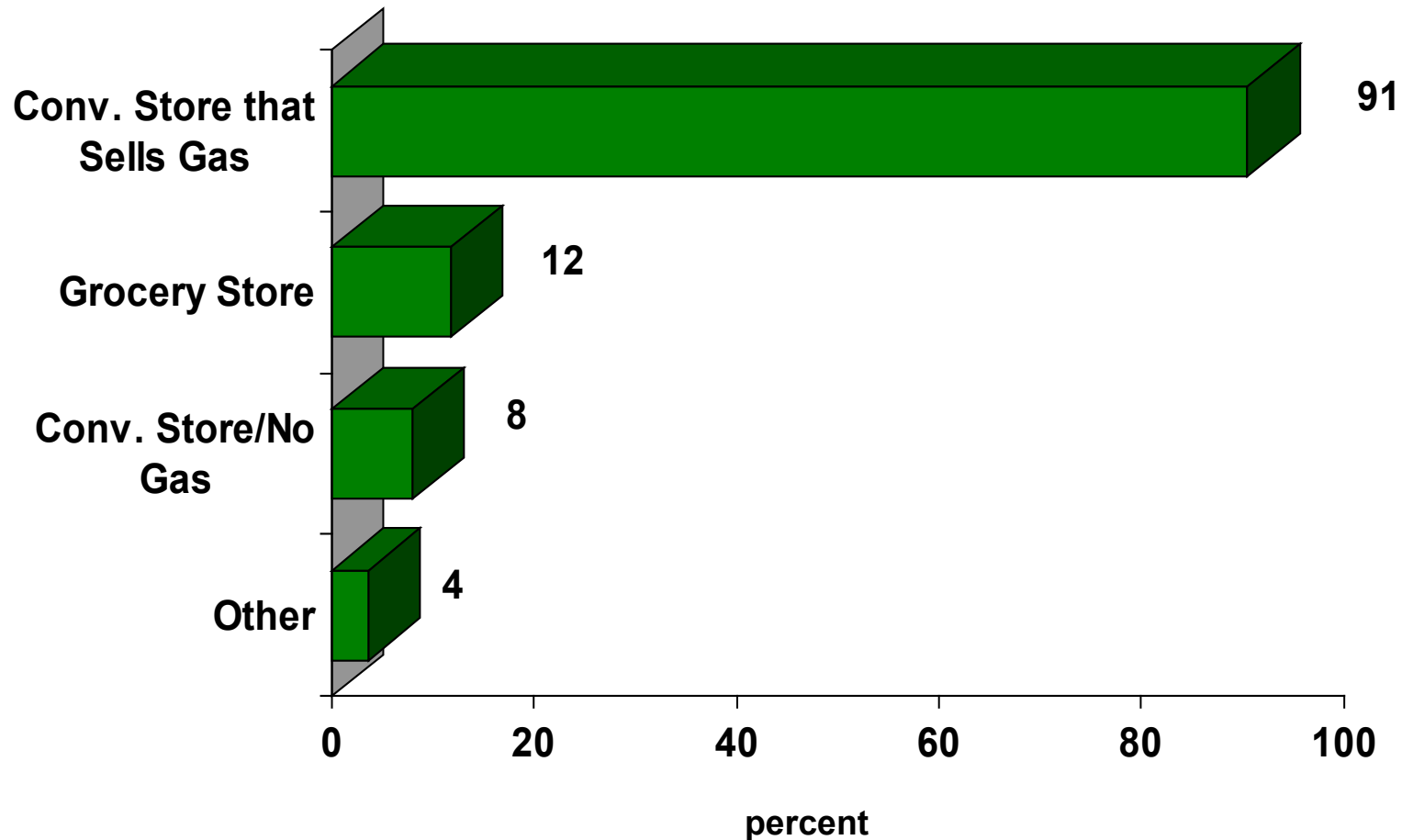
Estimated \$ Spent per Purchase

(calculated mean \$, in general, by general frequency of play)



Where Most Likely to Buy Lottery Tickets

(in general, among *Players*, N = 538)

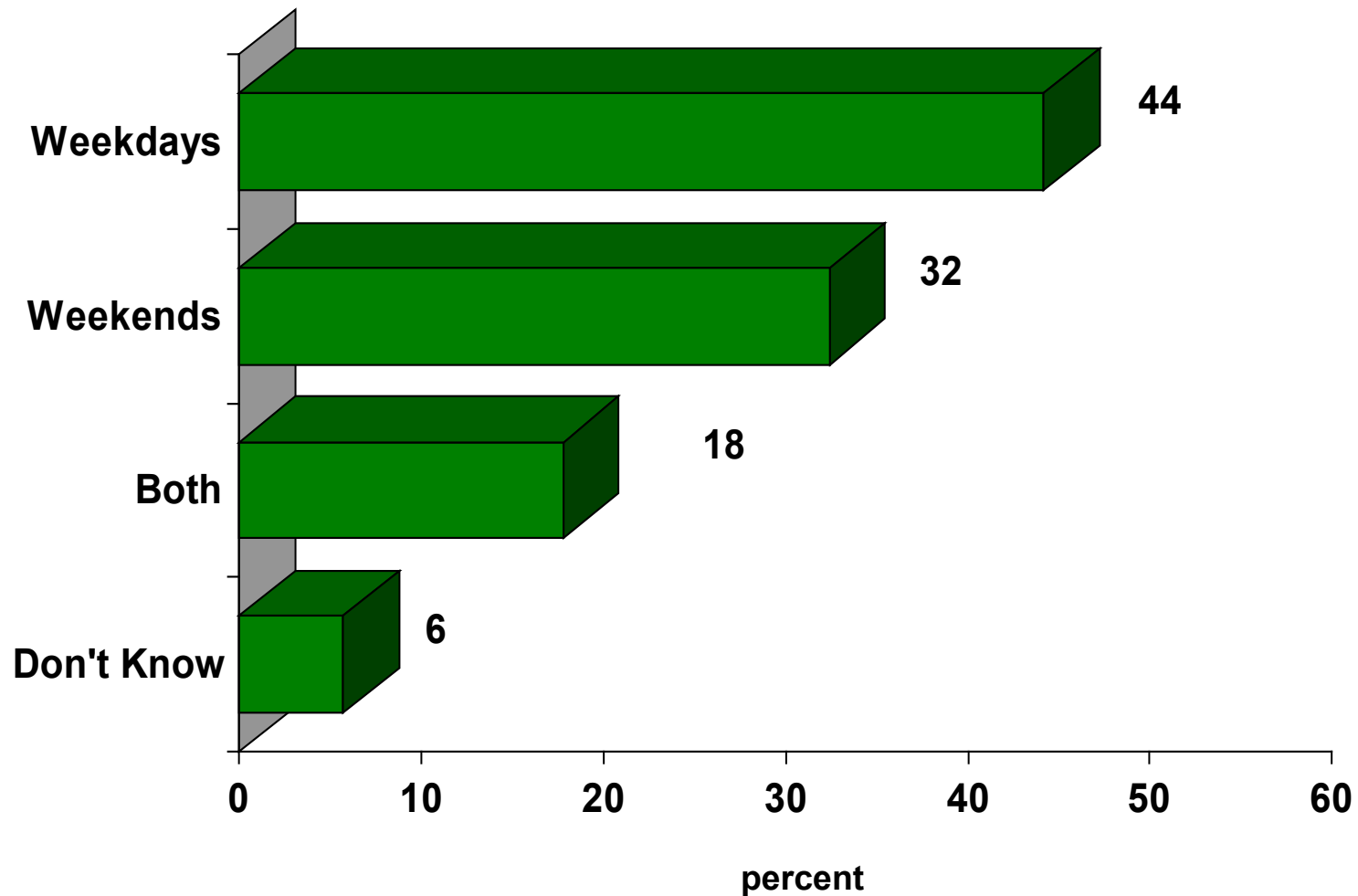


Where Most Likely to Buy Lottery Tickets (in general, among *Players*)

	<u>Frequent</u> (N = 90)	<u>Regular</u> (N = 70)	<u>Occasional</u> (N = 144)	<u>Infrequent</u> (N = 227)
Convenience store that sells gasoline	89%	91%	91%	92%
Grocery store	18	19	8	9
Convenience store that doesn't sell gasoline	16	12	7	5
Restaurant or bar	4	0	0	0
Pawn shop	3	0	0	0
Beauty or barber shop	1	0	0	0
Somewhere else	5	0	3	2

When Buy Most Lottery Tickets

(in general, among *Players*, N = 538)



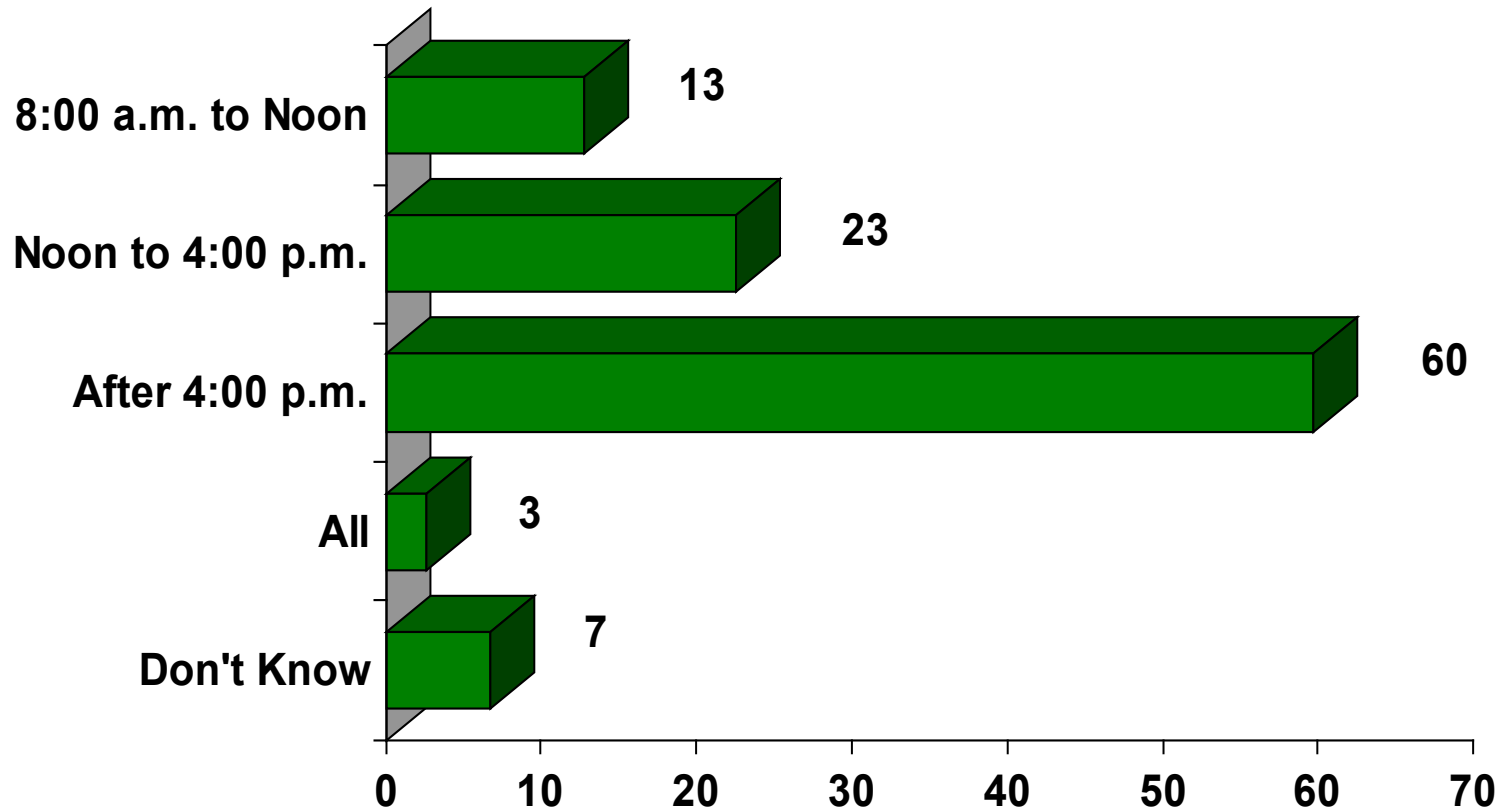
When Buy Most Lottery Tickets

(in general, among *Players*)

	<u>Frequent</u> (N = 90)	<u>Regular</u> (N = 70)	<u>Occasional</u> (N = 144)	<u>Infrequent</u> (N = 227)
Weekdays	39%	46%	42%	48%
Weekends	27	31	34	35
Both	33	23	16	11
Don't know	1	0	8	7

Time of Day Most Likely to Buy Lottery Tickets

(in general, among *Players*, N = 538)



Time of Day Most Likely to Buy Lottery Tickets

(in general, among *Players*)

	<u>Frequent</u> (N = 90)	<u>Regular</u> (N = 70)	<u>Occasional</u> (N = 144)	<u>Infrequent</u> (N = 227)
8:00 a.m. to 12:00 noon	15%	12%	13%	13%
12:00 noon to 4:00 p.m.	25	20	27	19
4:00 p.m. to 8:00 a.m.	56	68	54	63
All/Any	7	7	1	1
Don't Know	4	3	8	7

A MarketSearch Study

Review of Individual Games

Powerball

- Powerball continues to be the most popular SC Education Lottery game.

Overall, 43% of all respondents and 79% of SC Education Lottery *Players* indicate they have *ever* played Powerball in South Carolina.

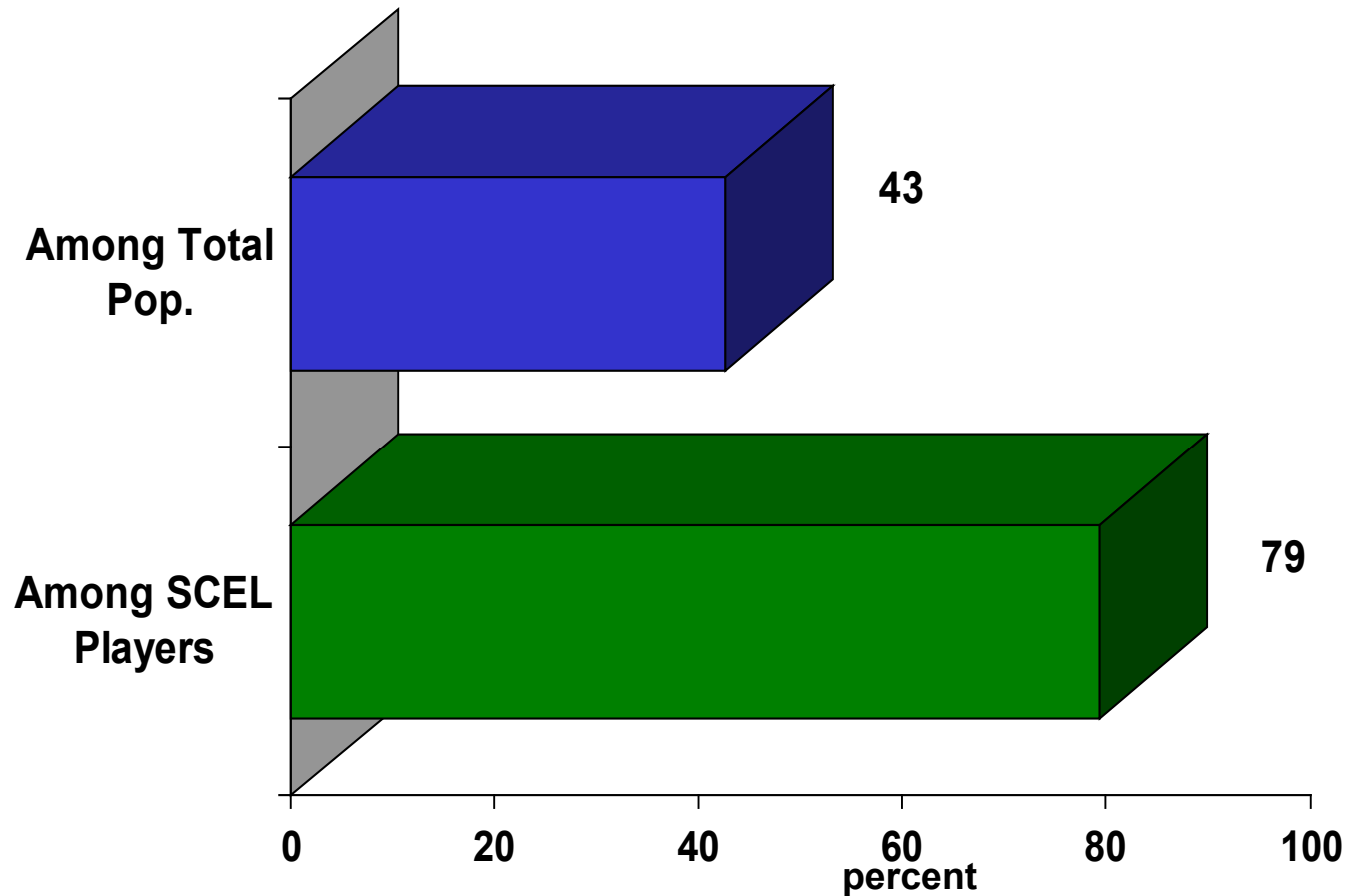
- About three out of five (59%) Powerball players are *Active*, playing at least once a month, with 25% indicating they buy tickets for “all” or “most” drawings.
- On average, Powerball players tend to buy 3.4 tickets per purchase and spend about \$15 per month.

Powerball

- More than a third (36%) indicate they “always” take advantage of the *Power Play Multiplier*, while slightly fewer (30%) “never” do.

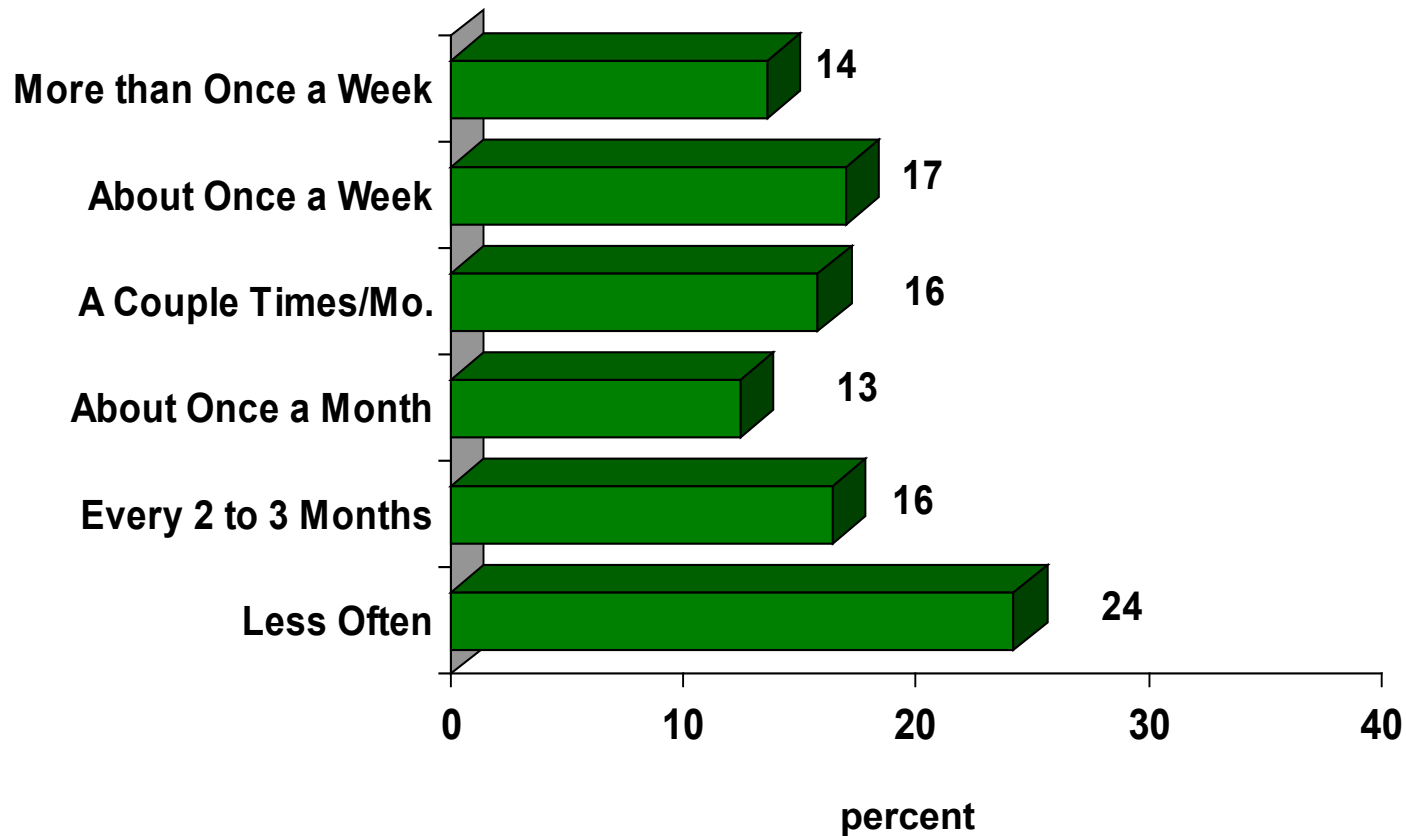
SC Education Lottery Powerball Game

General Incidence of Play (Ever)



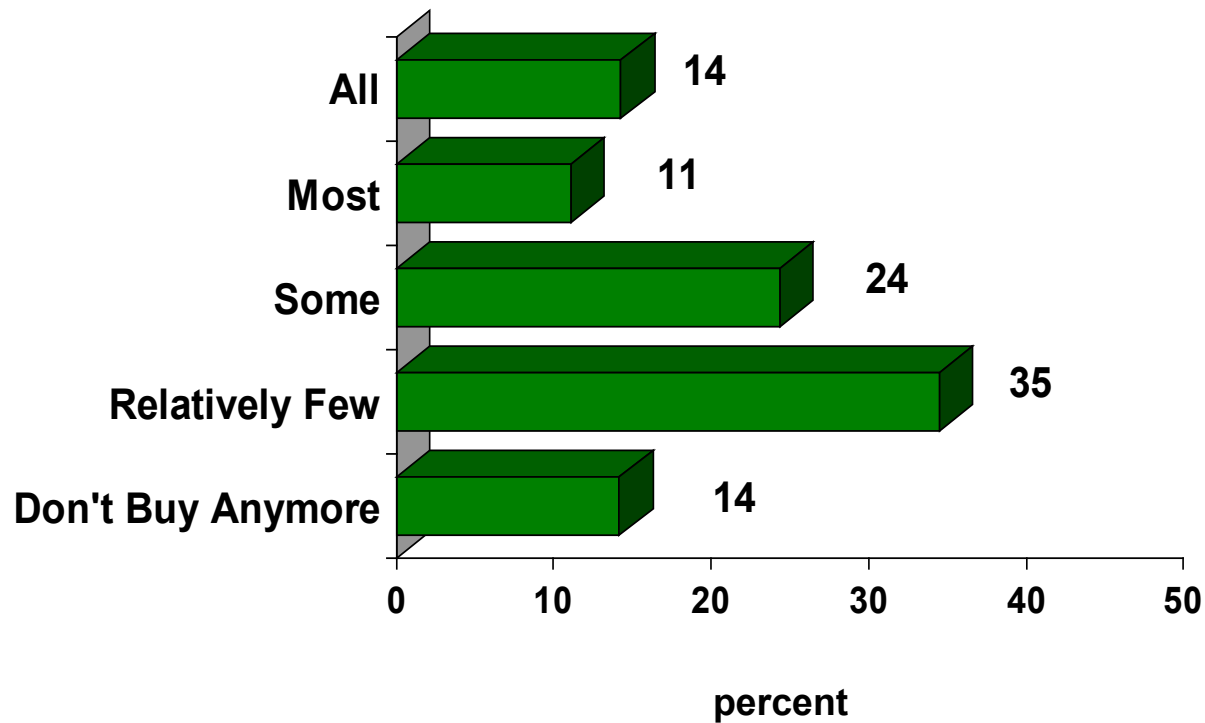
Frequency of Powerball Play

(among Powerball Players, N = 427)

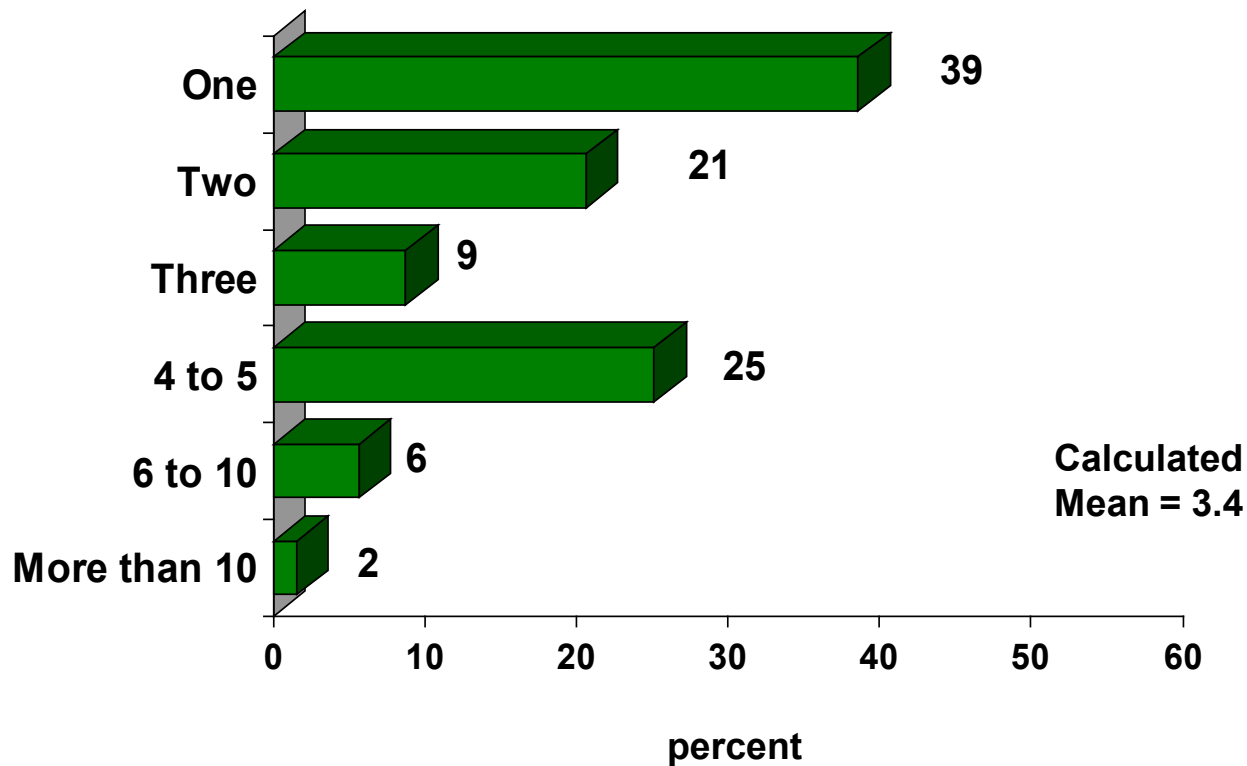


Proportion of Powerball Drawings Played

(among Powerball Players, N = 427)

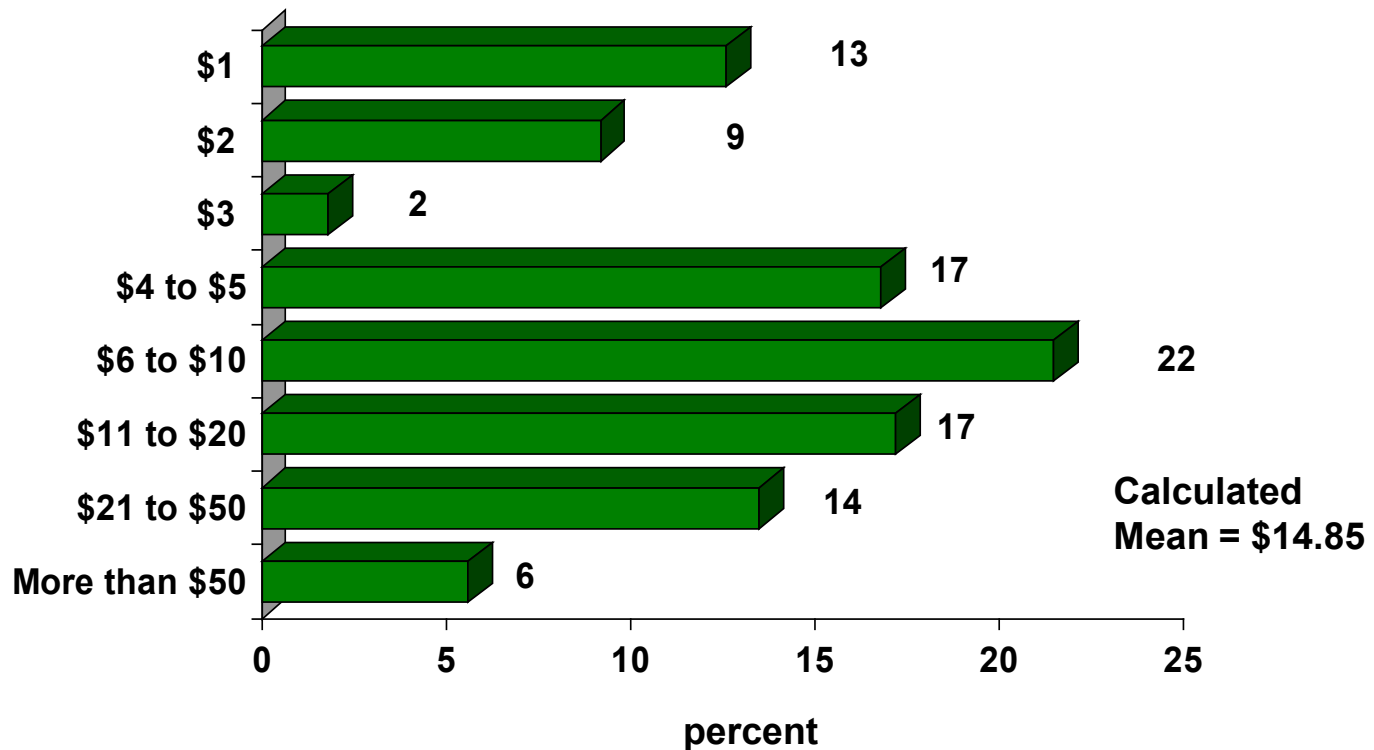


Number of Powerball Tickets Purchased Each Time (among Powerball Players, N = 427)



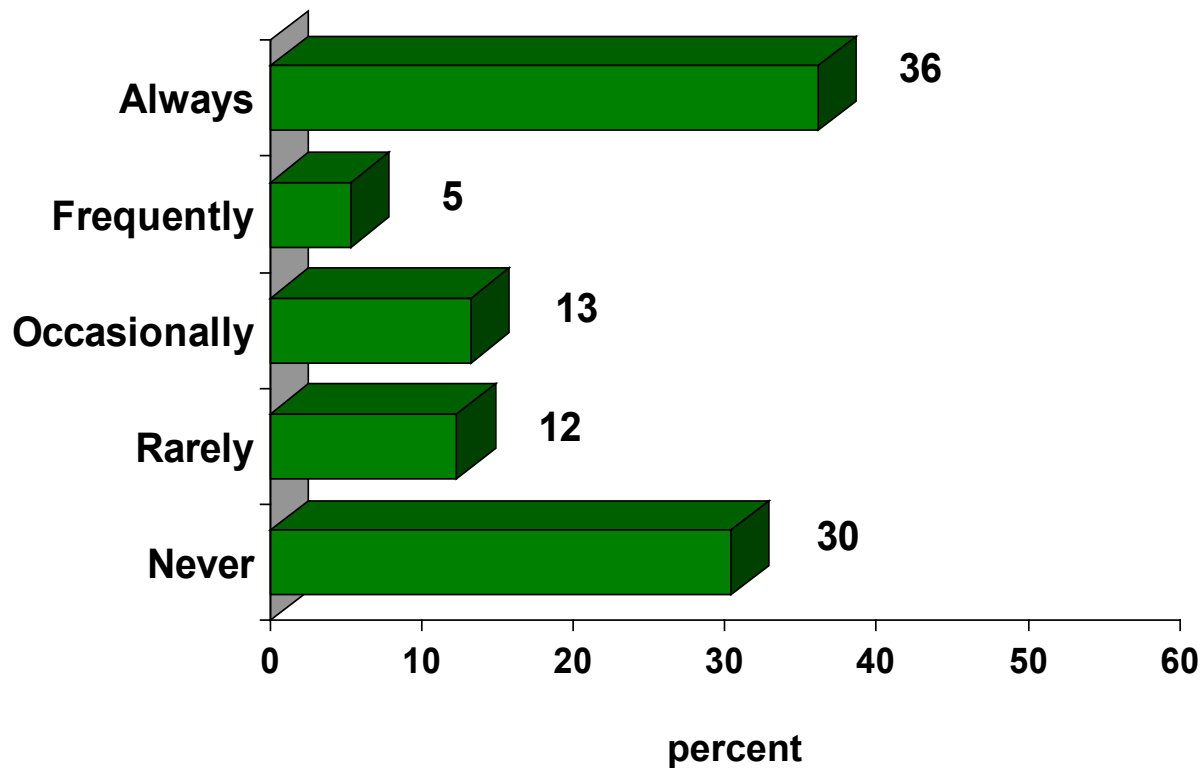
Average \$ Spent on Powerball Tickets Each Month

(among Powerball Players, N = 427)



Frequency of Taking Advantage of Power Play Multiplier When Purchasing Powerball Tickets

(among Powerball Players, N = 427)



Scratch Off Tickets

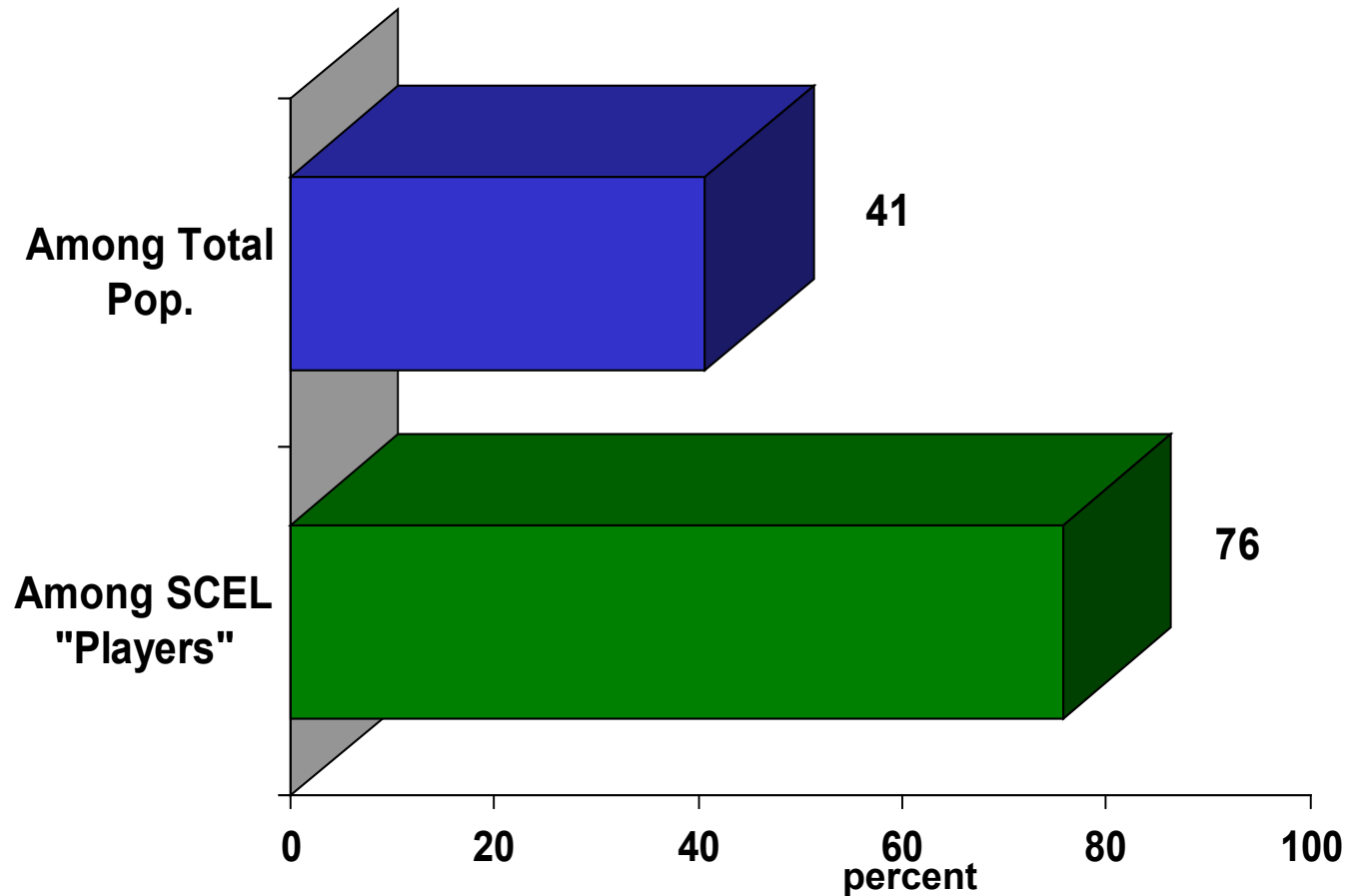
- Just over two out of five (41%) South Carolina households indicate they have *ever* purchased a SC Education Lottery Scratch Off ticket.

Among SC Education Lottery *Players* (N = 538), 76% indicate they have ever purchased a Scratch Off ticket.

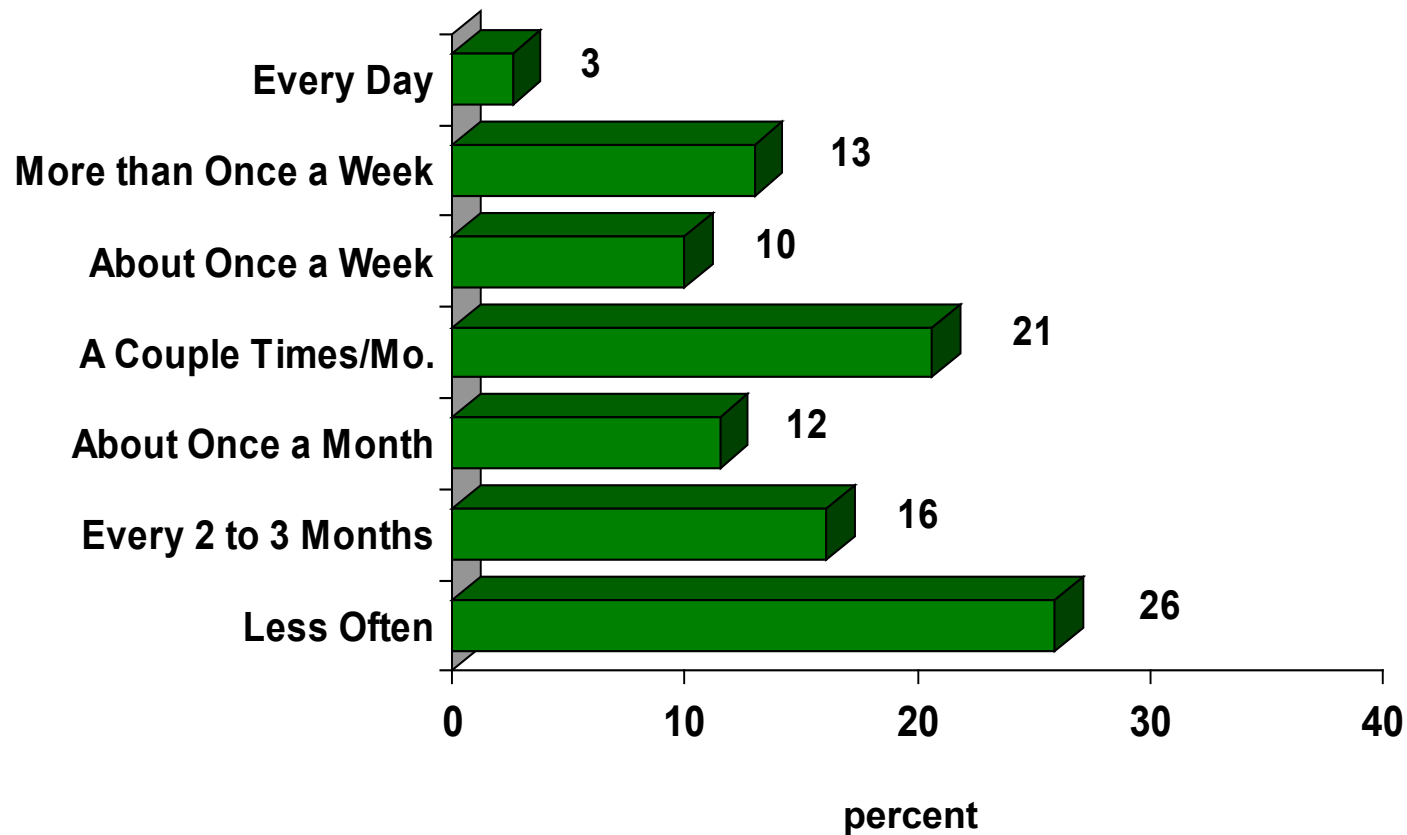
- Although many Scratch Off players (N = 407) play only *occasionally* (16%) or *infrequently* (26%), the majority (58%) are *Active* players, playing at least once a month.
- The average number of tickets purchased at a time (among Scratch Off players) is 3.5 and the average dollars spent on the game per month is over \$15.

SC Education Lottery Scratch Off Game

General Incidence of Play (Ever)

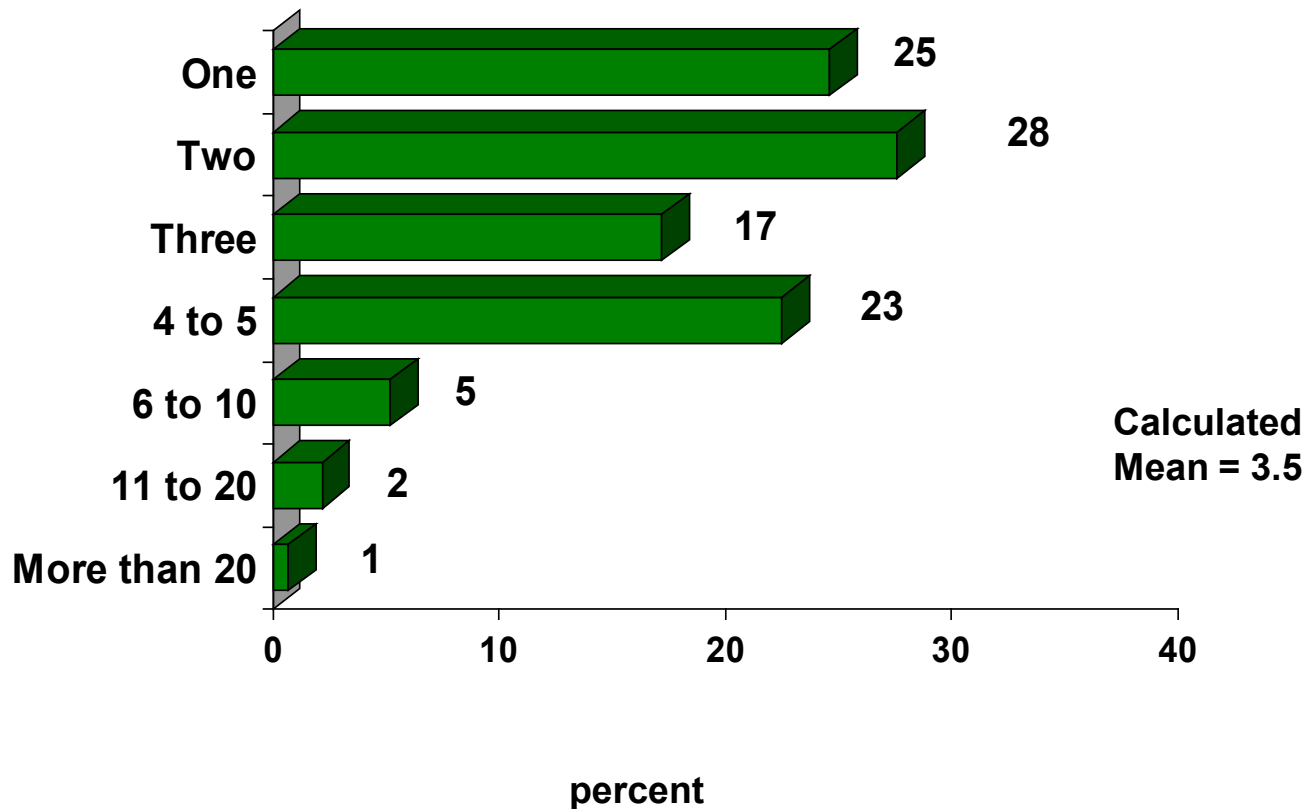


Frequency of Scratch Off Play (among Scratch Off Players, N = 407)



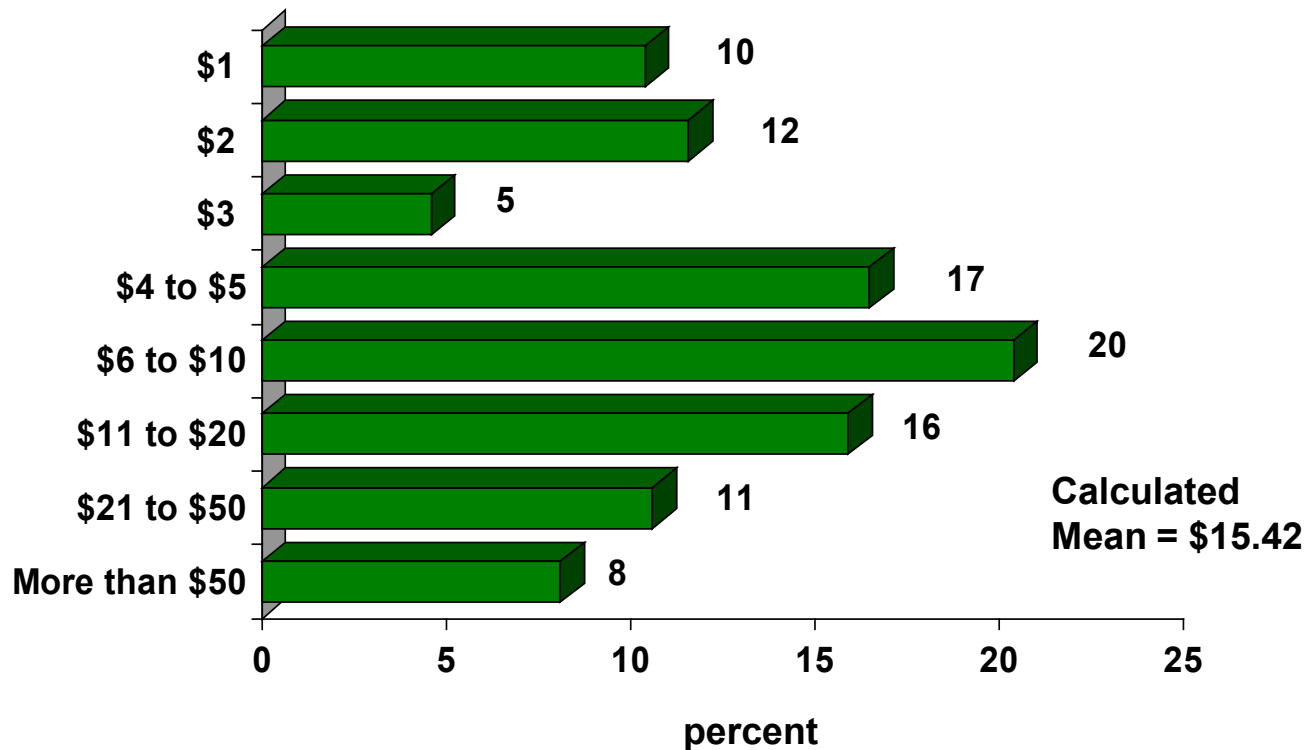
Number of Scratch Off Tickets Purchased Each Time

(among Scratch Off Players, N = 407)



Average \$ Spent on Scratch Off Tickets Each Month

(among Scratch Off Players, N = 407)



Pick 3

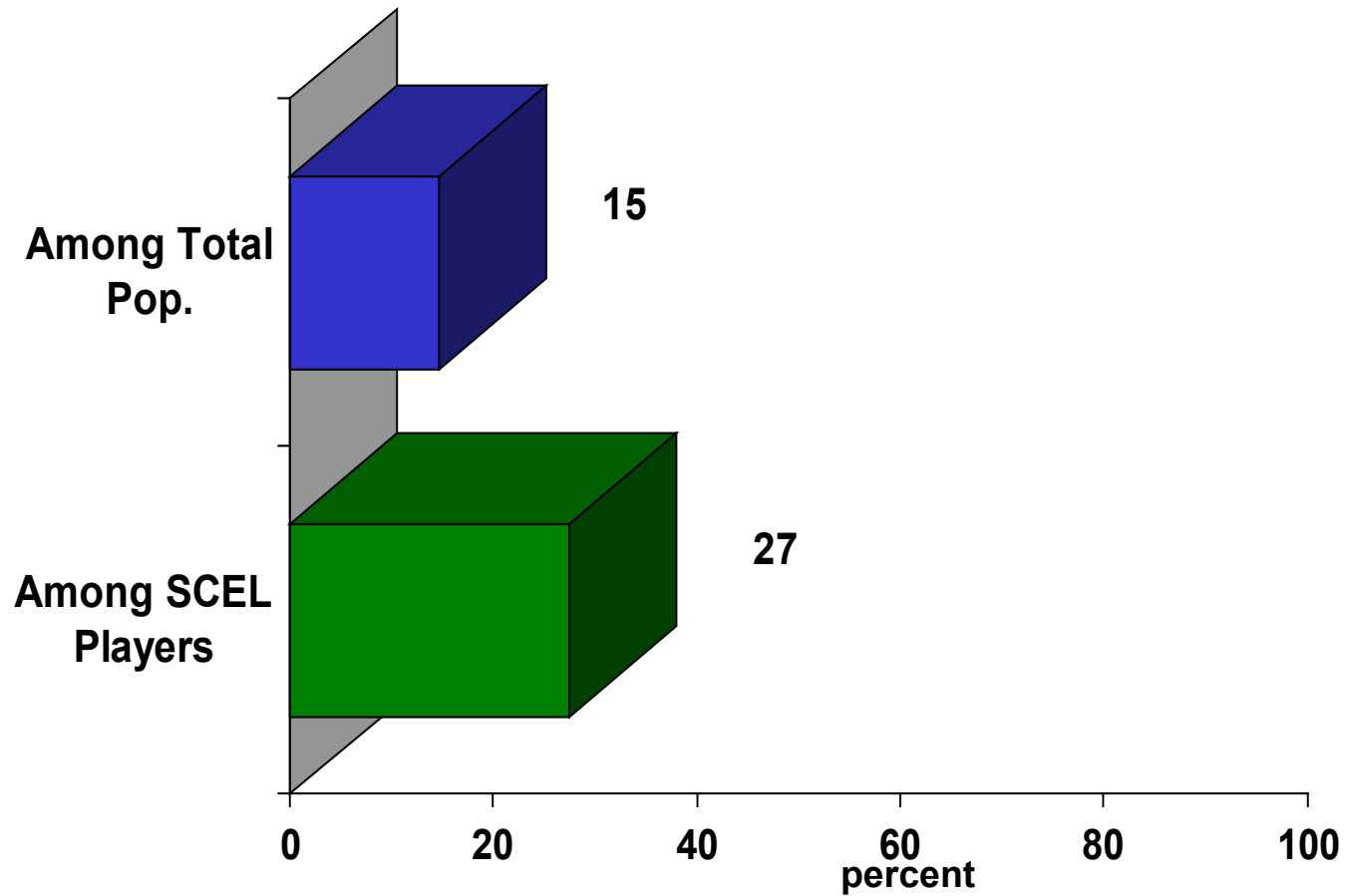
- Overall, 15% of respondents indicate they have *ever* played SC Education Lottery Pick 3. Among *Players* in general, 27% indicate they have played Pick 3.
- Among those who have *ever* played Pick 3 (N = 147), 63% indicate they are *Active* players, playing the game at least once a month.
- Fully 17% of Pick 3 players indicate they buy tickets for “all” or “most” games.
- Evening drawings tend to be more popular than mid-day drawings.

Pick 3

- On average, Pick 3 players buy 2.1 tickets per purchase and spend an average of \$16.79 on the game per month.

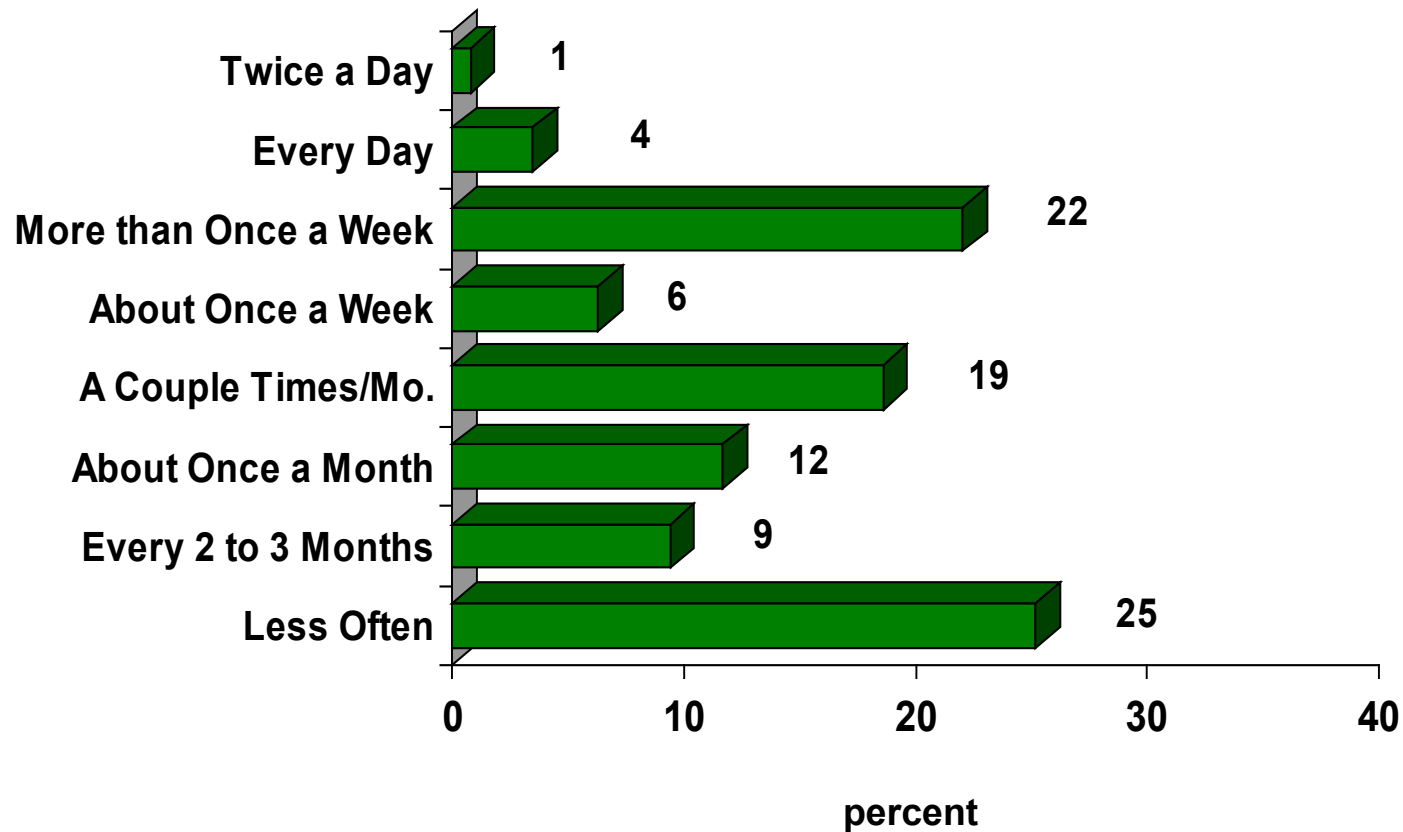
SC Education Lottery Pick 3 Game

General Incidence of Play (Ever)



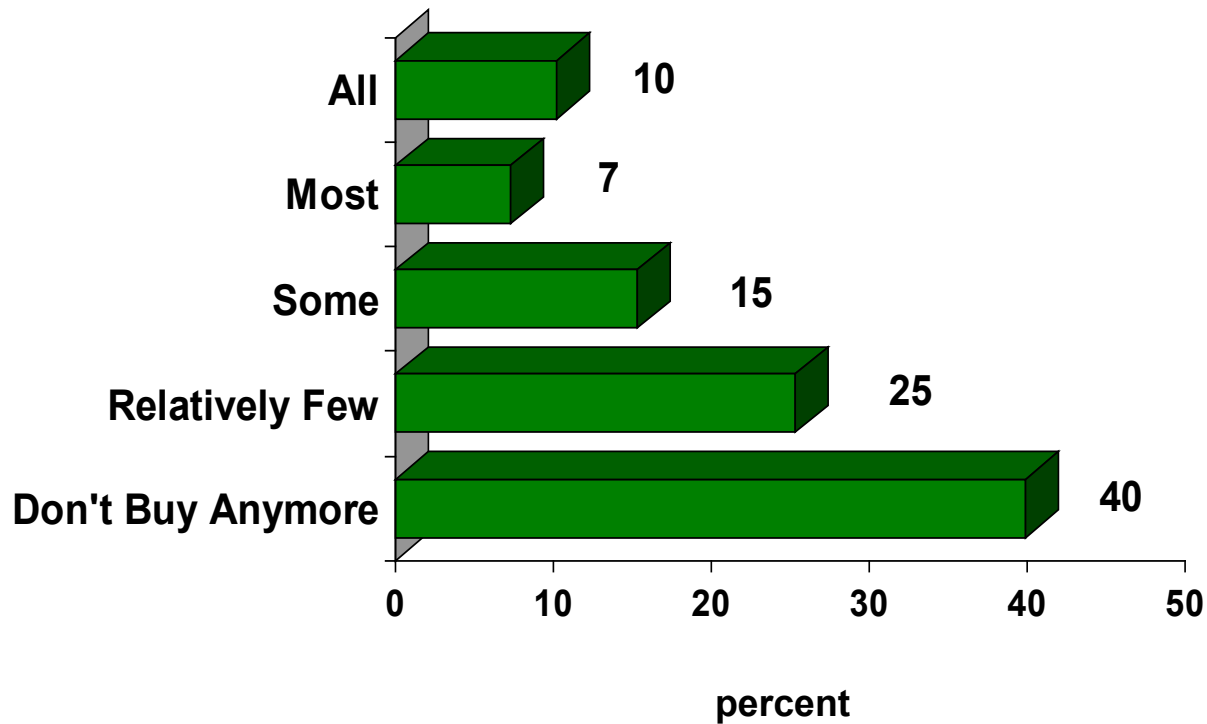
Frequency of Pick 3 Play

(among Pick 3 Players, N = 147)



Proportion of Pick 3 Drawings Played

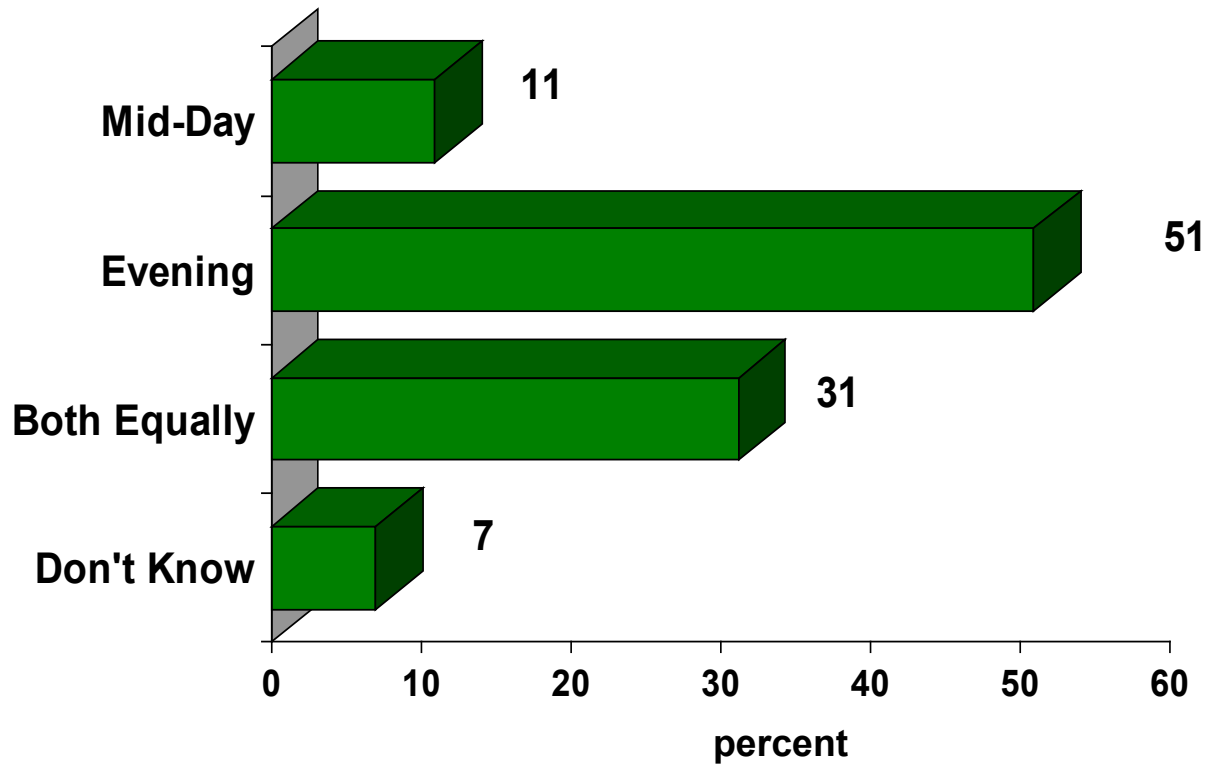
(among Pick 3 Players, N = 147)



For Which Drawing Most Likely to Purchase

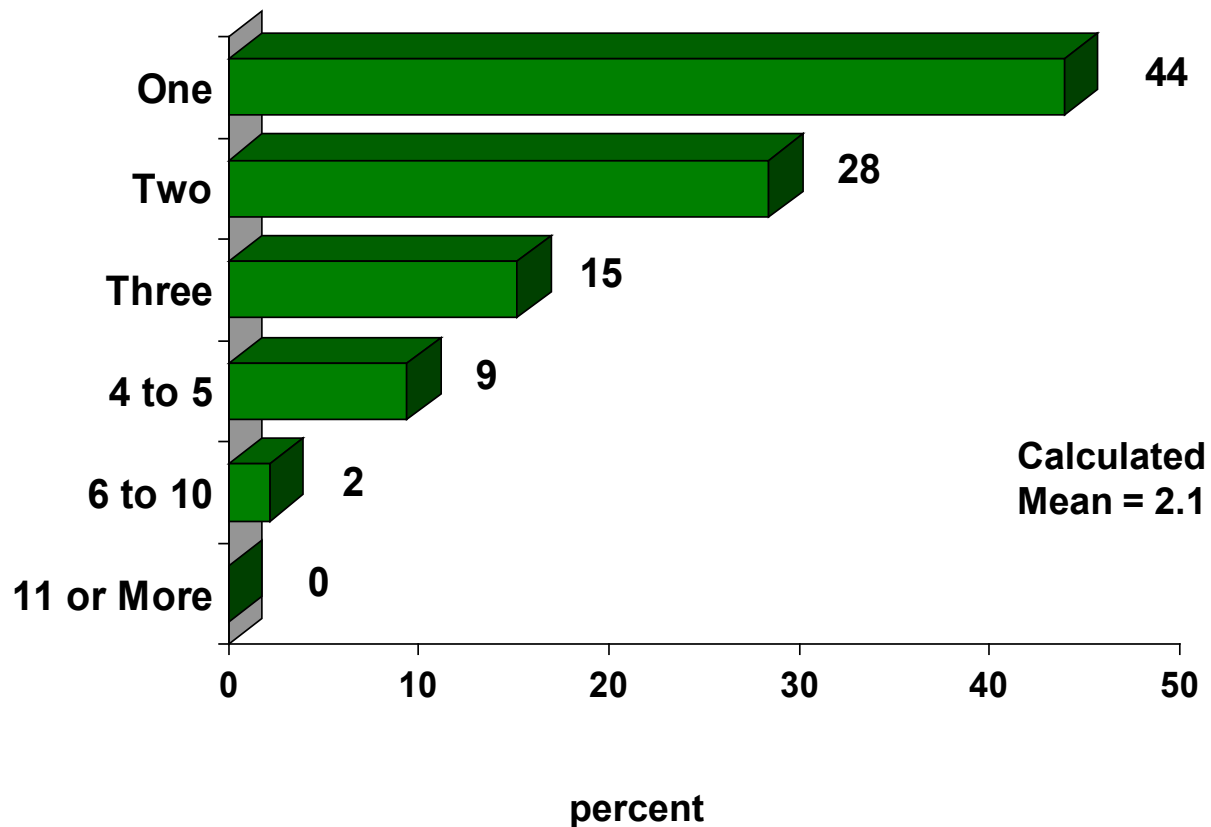
Pick 3 Tickets

(among Pick 3 Players, N = 147)



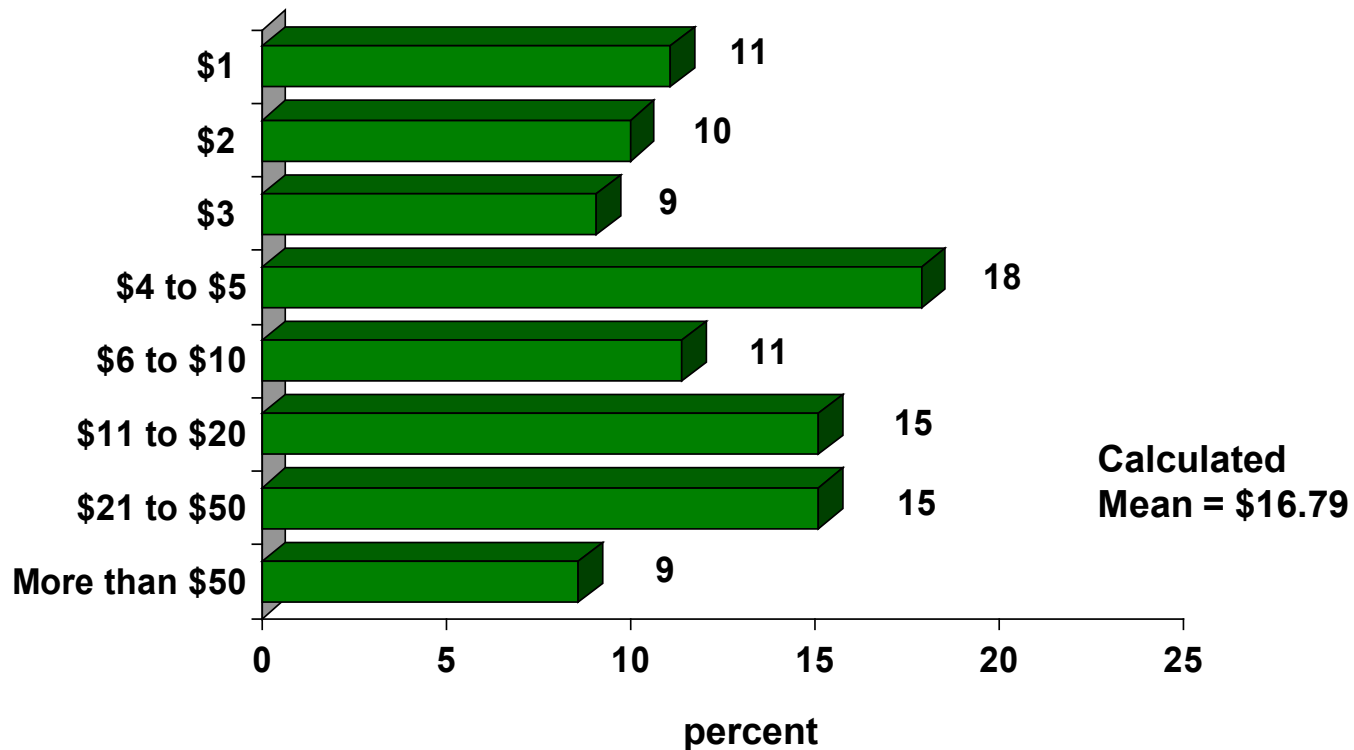
Number of Pick 3 Tickets Purchased Each Time

(among Pick 3 Players, N = 147)



Average \$ Spent on Pick 3 Tickets Each Month

(among Pick 3 Players, N = 147)

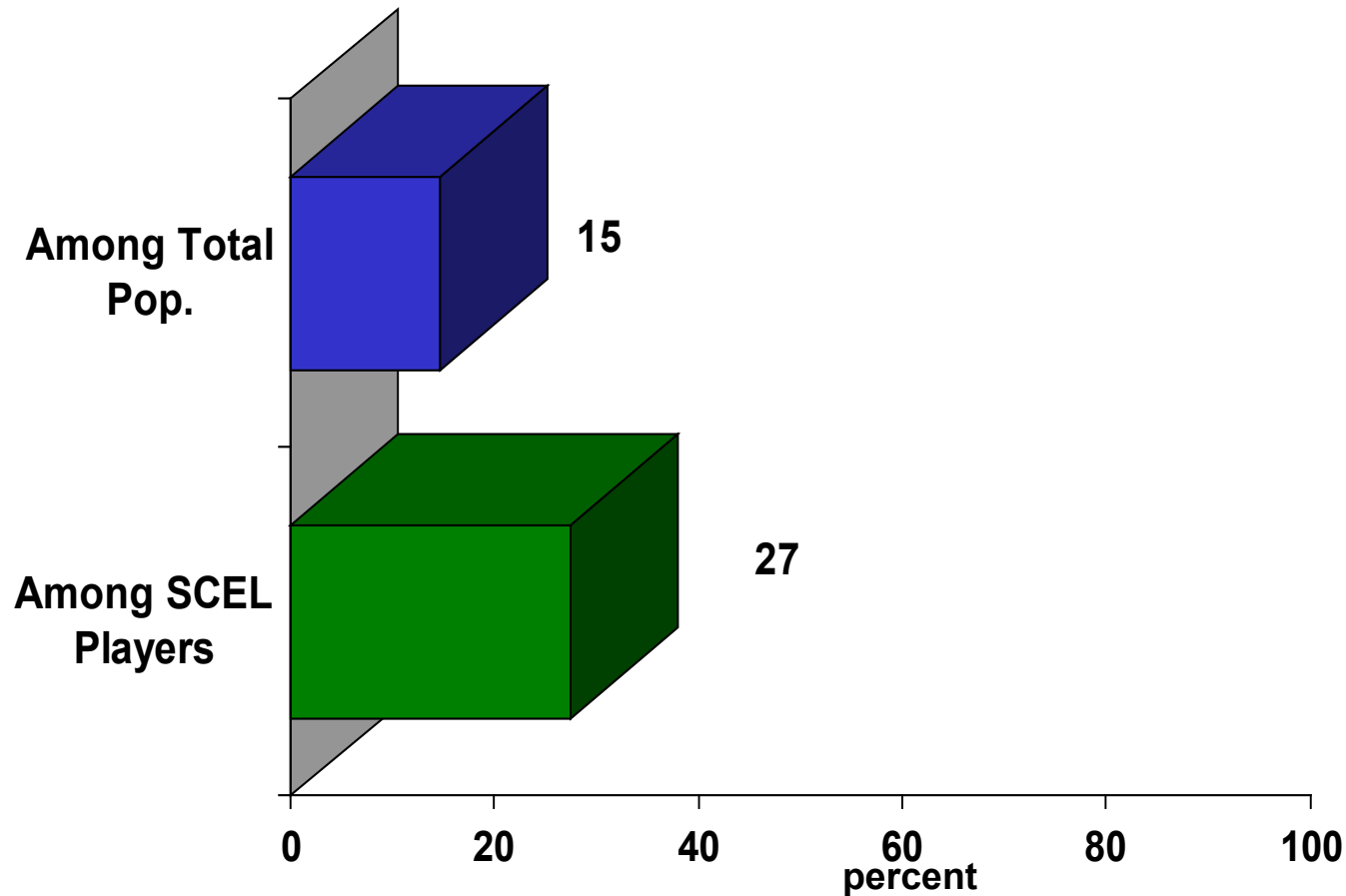


Palmetto Cash 5

- About 15% of respondents indicate they have *ever* played Palmetto Cash 5 (formerly called Carolina 5). Among SC Education Lottery *Players* in general, 27% indicate they have played the game.
- Among those who have ever played Palmetto Cash 5 (N = 147), 57% are *Active* players, playing at least once a month.
- Fully one out of five (20%) indicates they buy tickets for “all” or “most” games.
- On average, Palmetto Cash 5 players buy 1.8 tickets per purchase and spend just over \$16 per month.

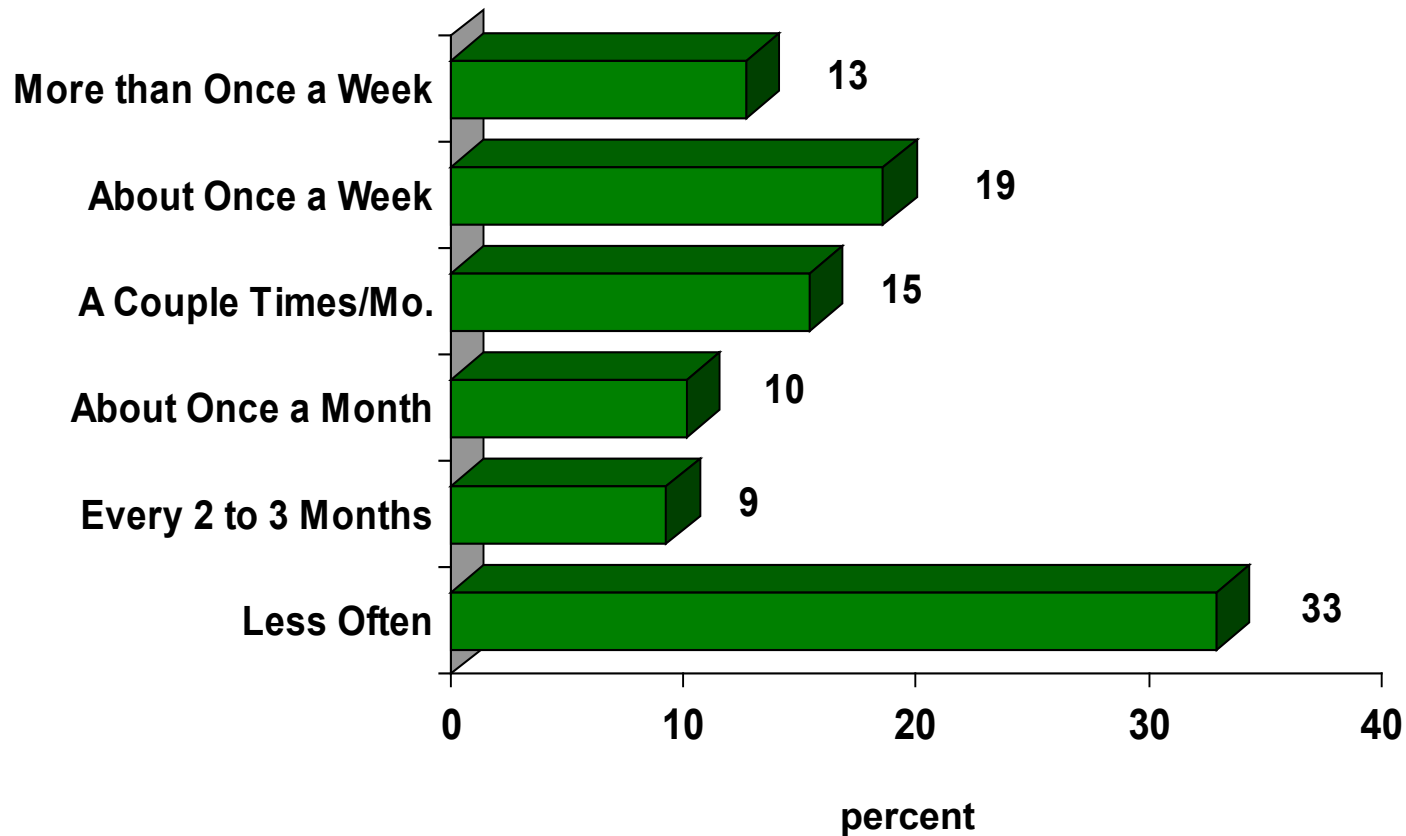
SC Education Lottery Palmetto Cash 5 Game

General Incidence of Play (Ever)



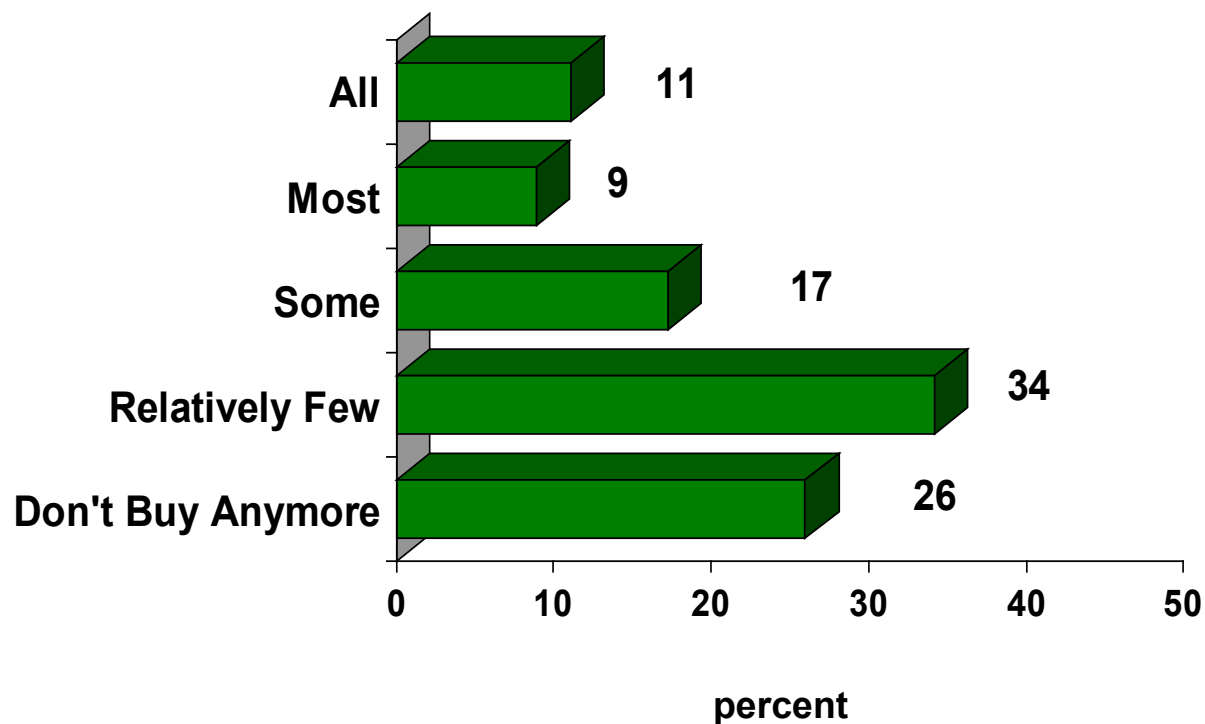
Frequency of Palmetto Cash 5 Play

(among Palmetto Cash 5 Players, N = 147)

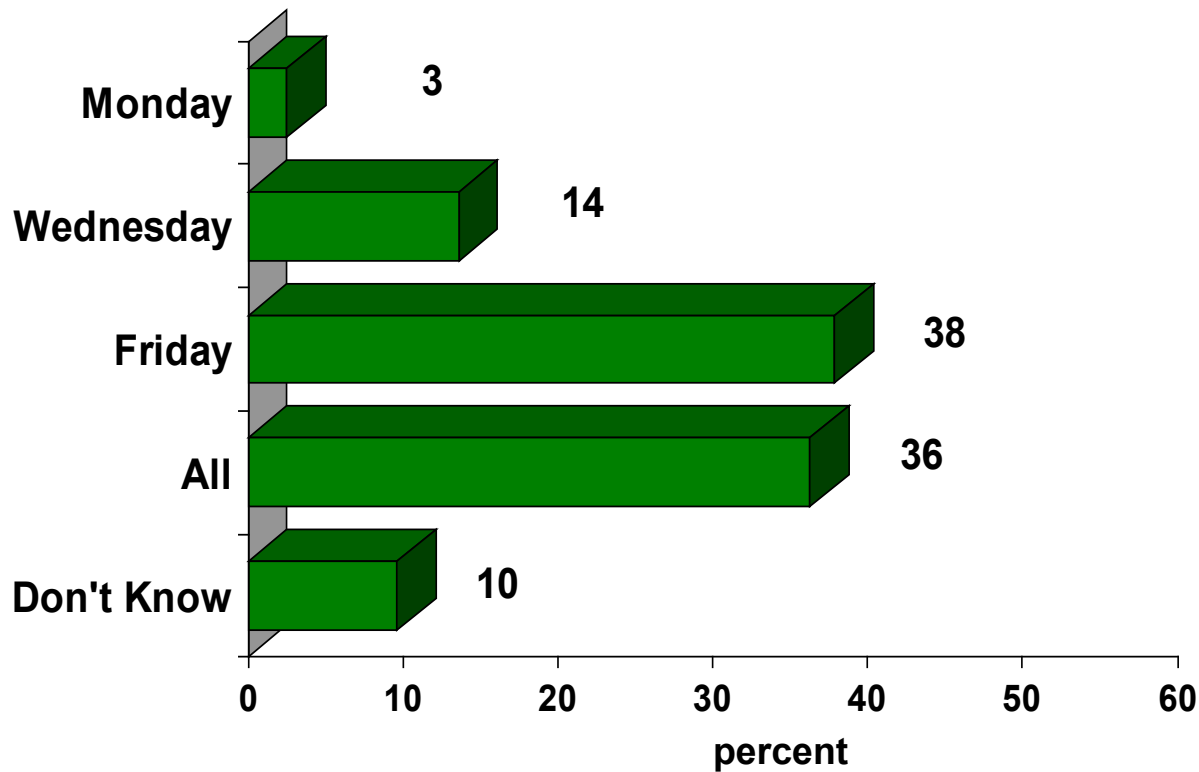


Proportion of Palmetto Cash 5 Drawings Played

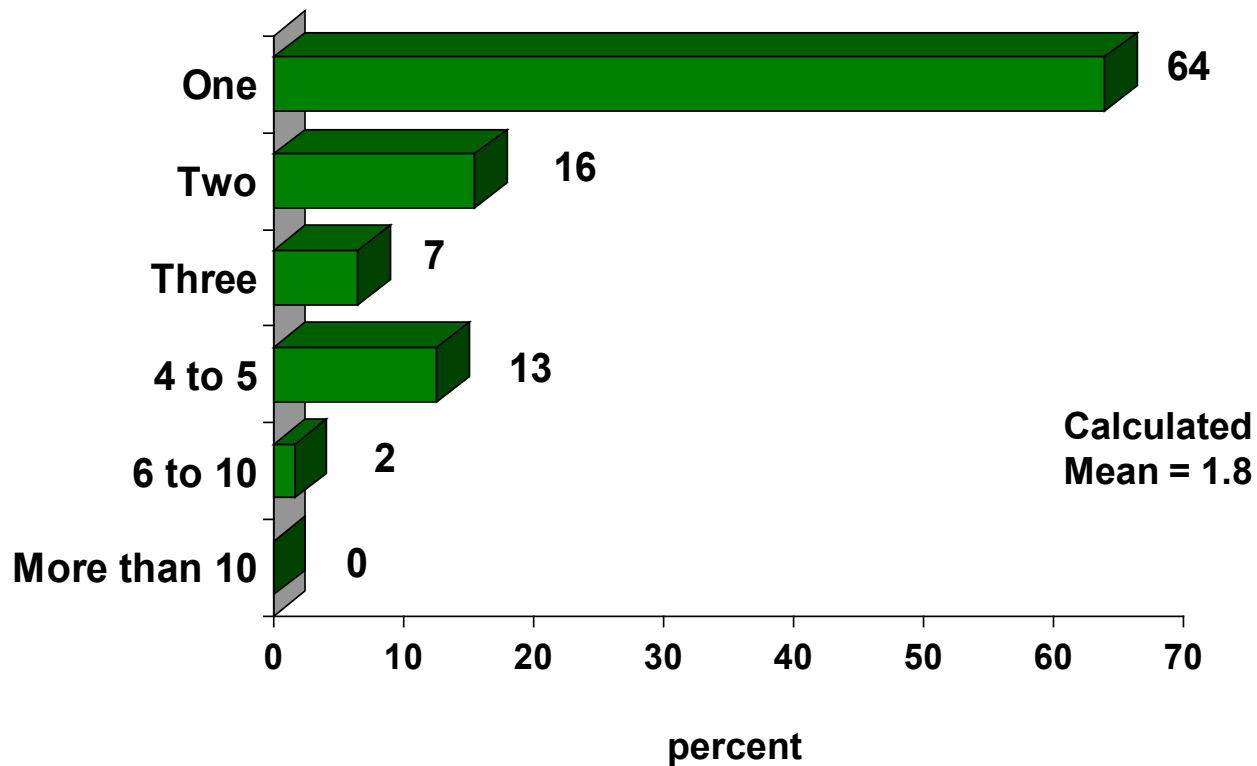
(among Palmetto Cash 5 Players, N = 147)



For Which Drawing Most Likely to Purchase Palmetto Cash 5 Tickets (among Palmetto Cash 5 Players, N = 147)

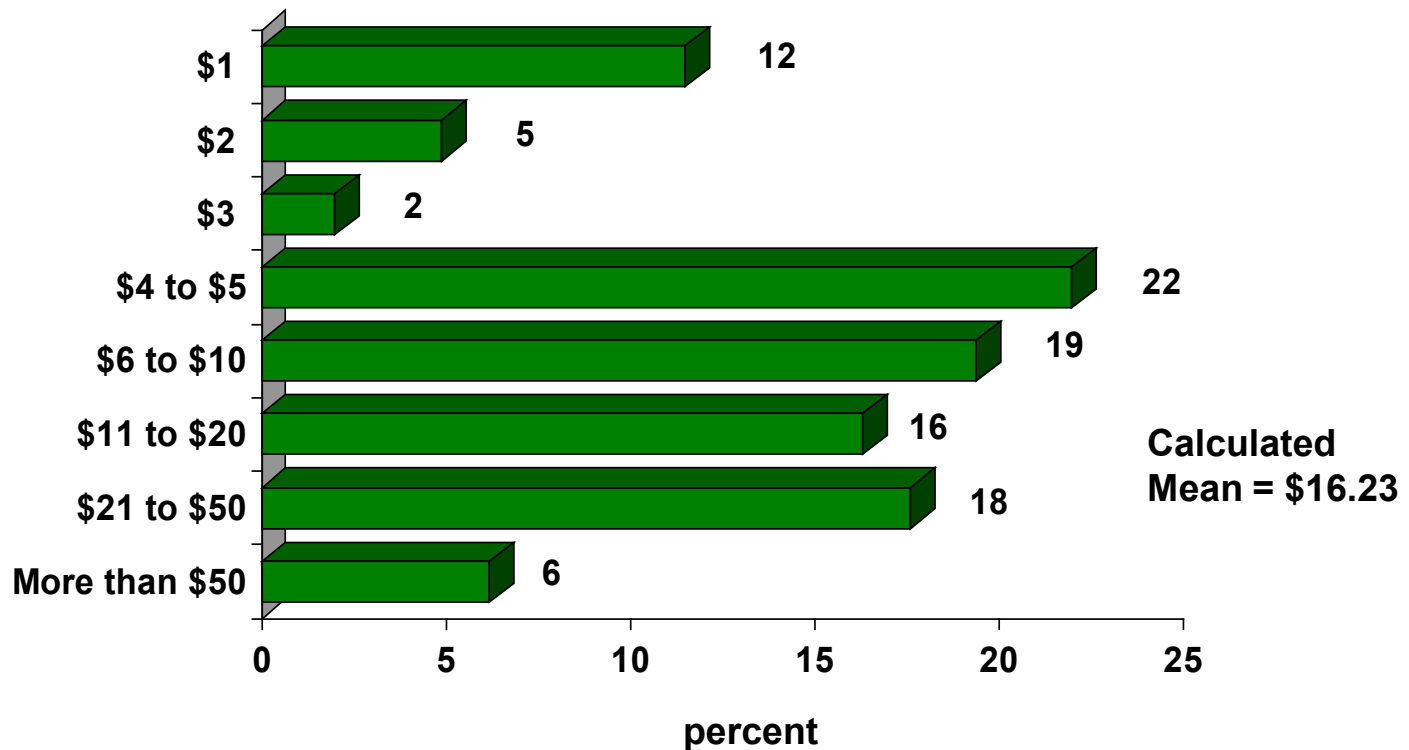


Number of Palmetto Cash 5 Tickets Purchased Each Time (among Palmetto Cash 5 Players, N = 147)



Average \$ Spent on Palmetto Cash 5 Tickets Each Month

(among Palmetto Cash 5 Players, N = 147)

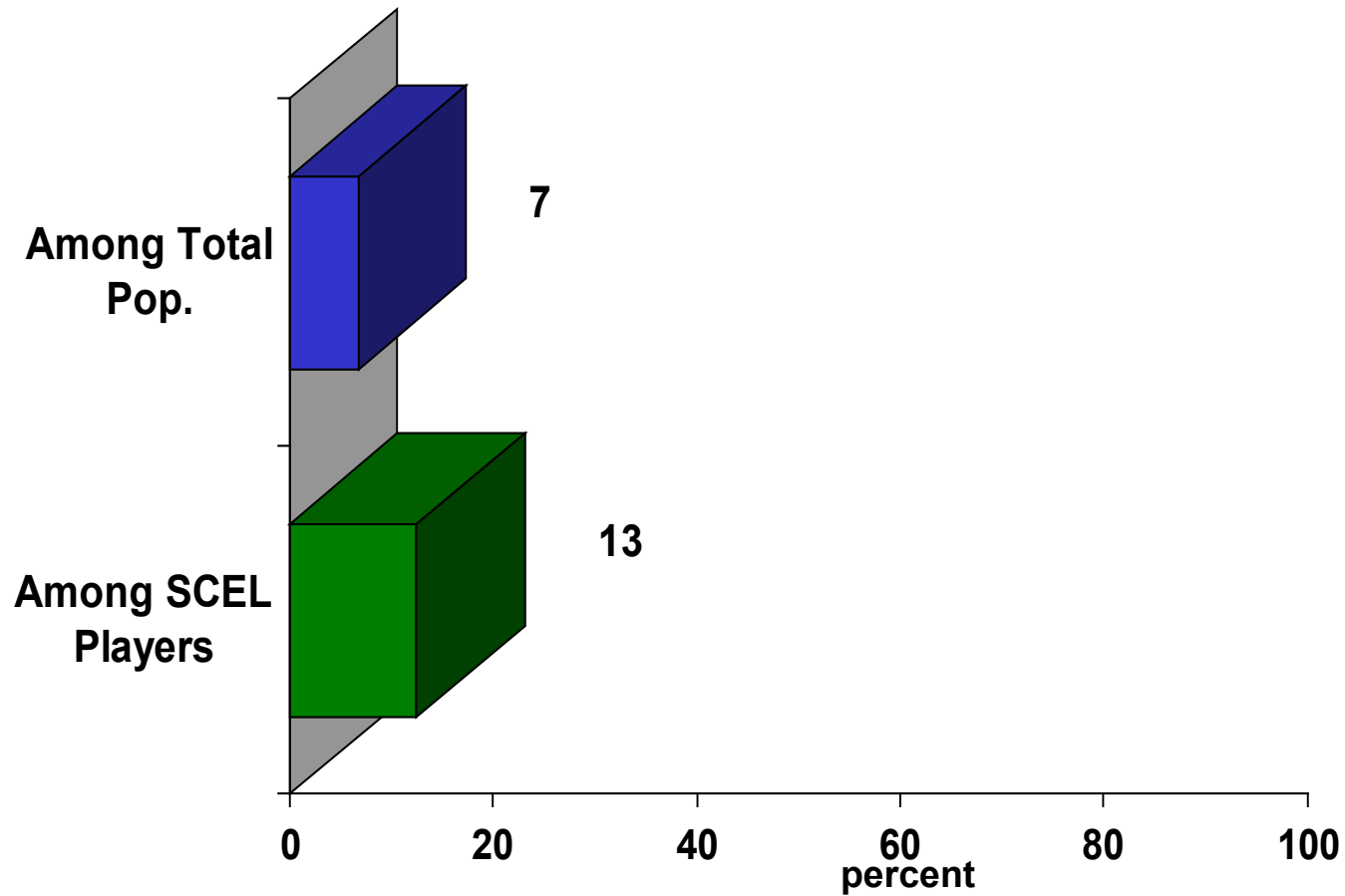


Pick 4

- About one out of fifteen (7%) respondents indicates they have ever played Pick 4. Among SC Education Lottery *Players* in general, only 13% indicate they have played Pick 4.
- Overall, 60% of Pick 4 players indicate they are *Active*, playing the game at least once a month. Only 12% of Pick 4 players, however, indicate they buy tickets for “all” or “most” games.
- As with Pick 3, evening drawings tend to be more popular than mid-day drawings.
- On average, Pick 4 players buy 2.0 tickets per purchase and spend an average of \$16.43 per month on the game.

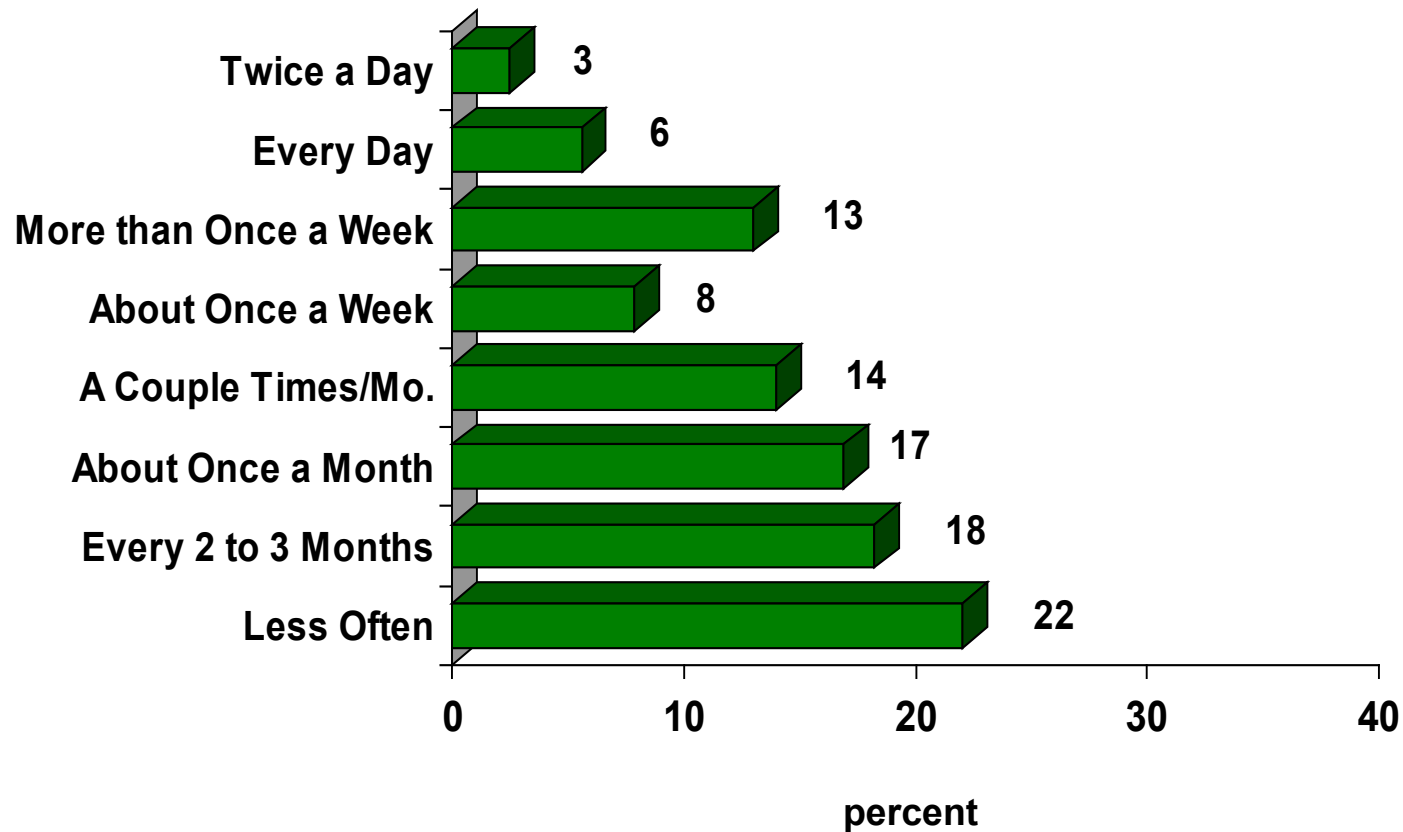
SC Education Lottery Pick 4 Game

General Incidence of Play (Ever)



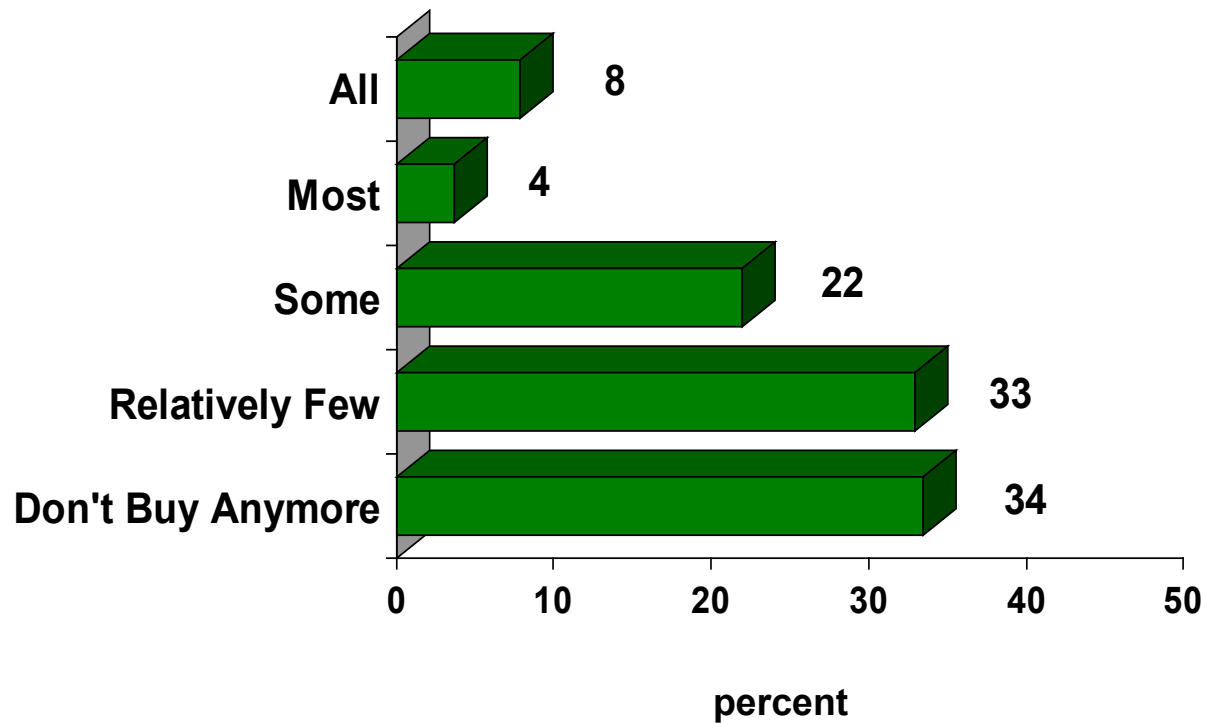
Frequency of Pick 4 Play

(among Pick 4 Players, N = 67)



Proportion of Pick 4 Drawings Played

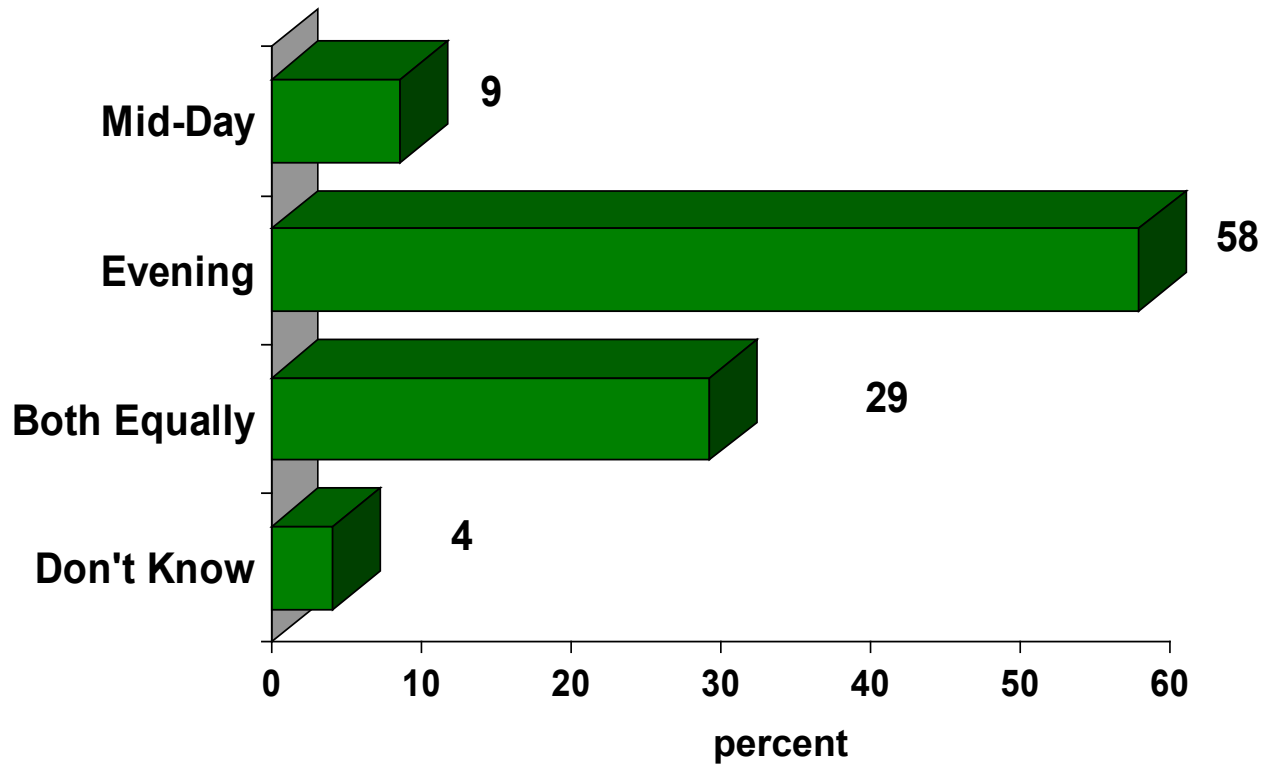
(among Pick 4 Players, N = 67)



For Which Drawing Most Likely to Purchase

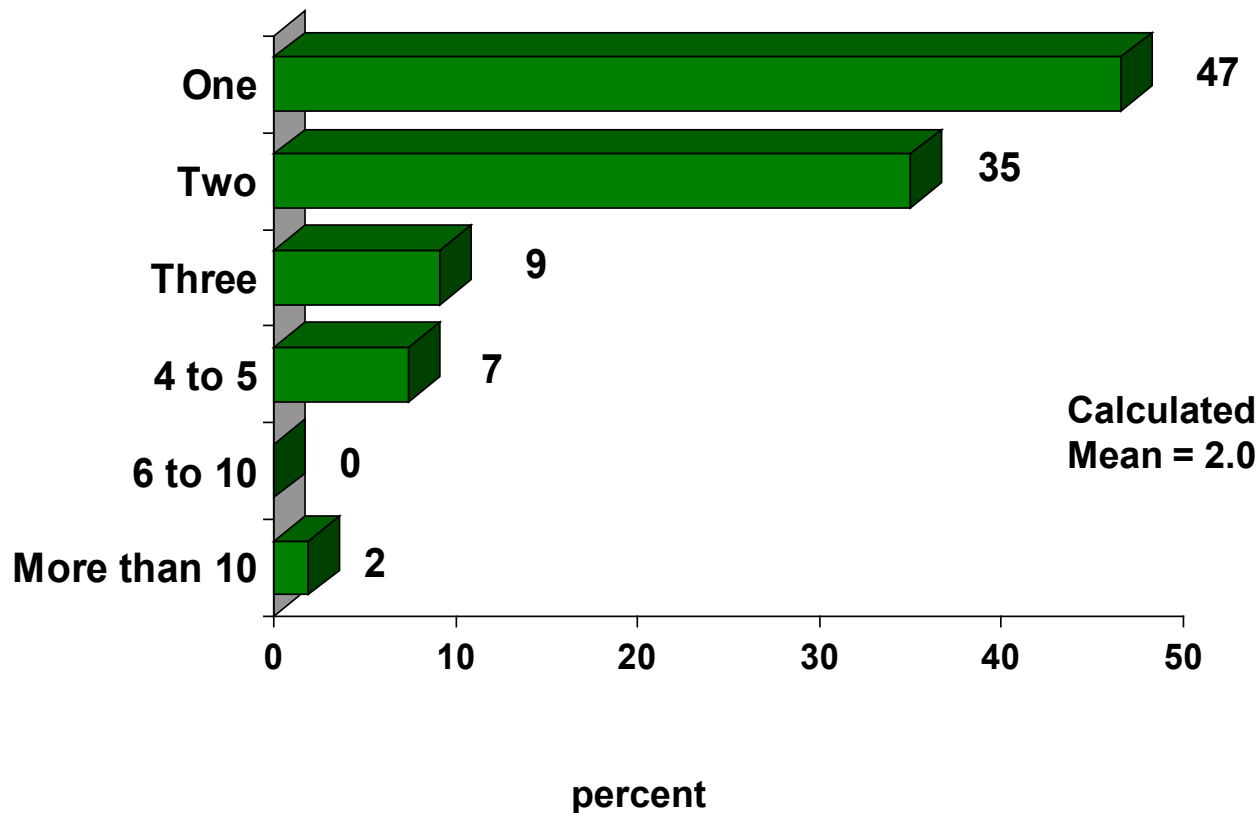
Pick 4 Tickets

(among Pick 4 Players, N = 67)



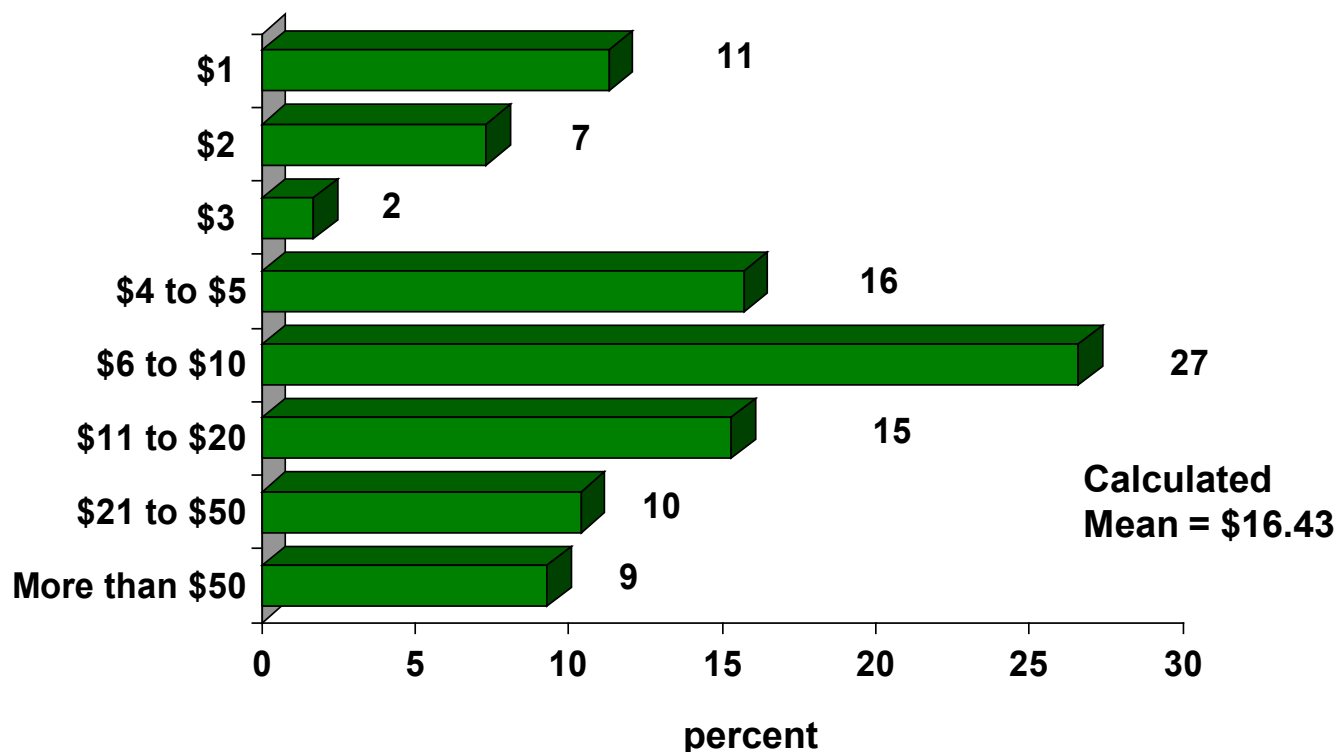
Number of Pick 4 Tickets Purchased Each Time

(among Pick 4 Players, N = 67)



Average \$ Spent on Pick 4 Tickets Each Month

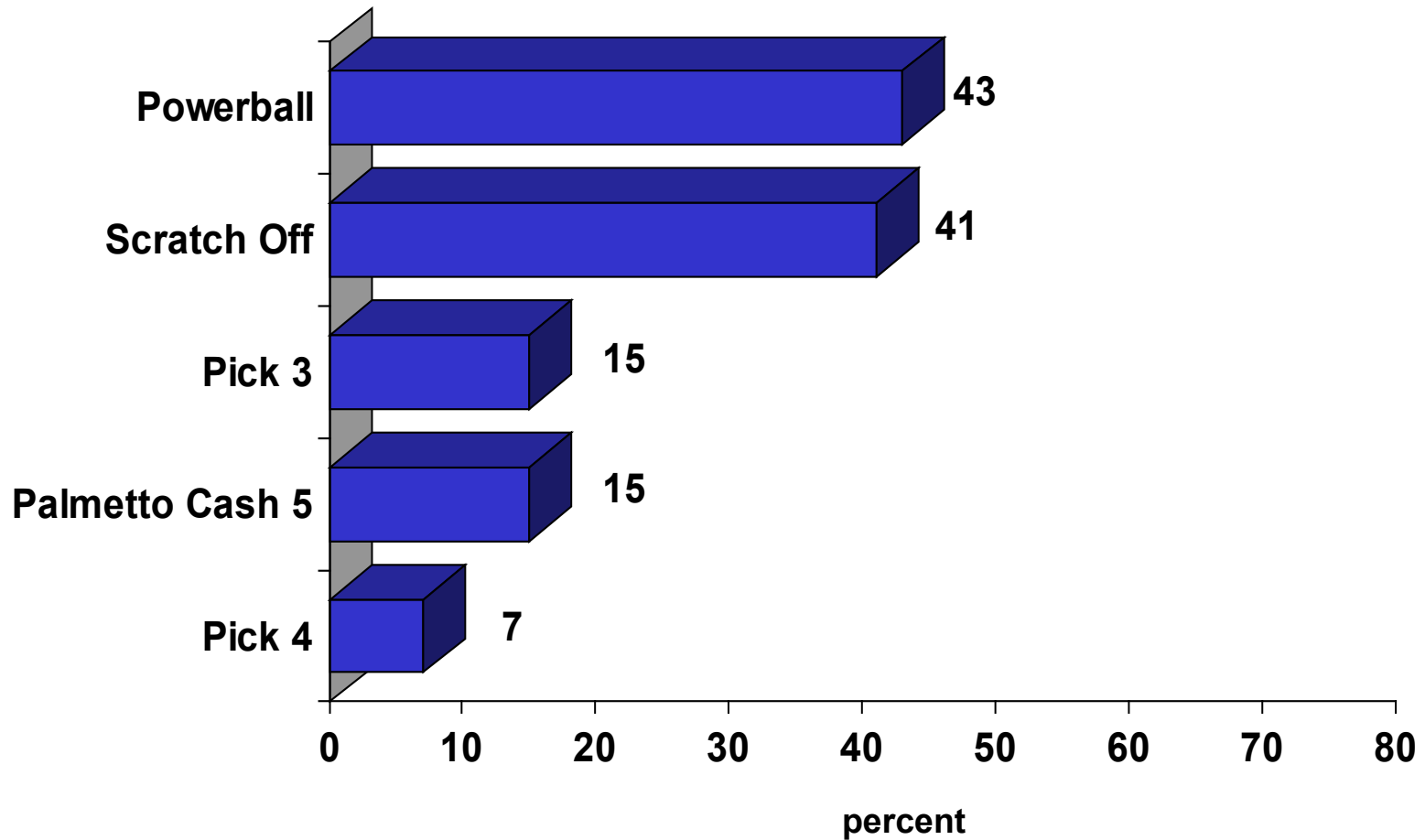
(among Pick 4 Players, N = 67)



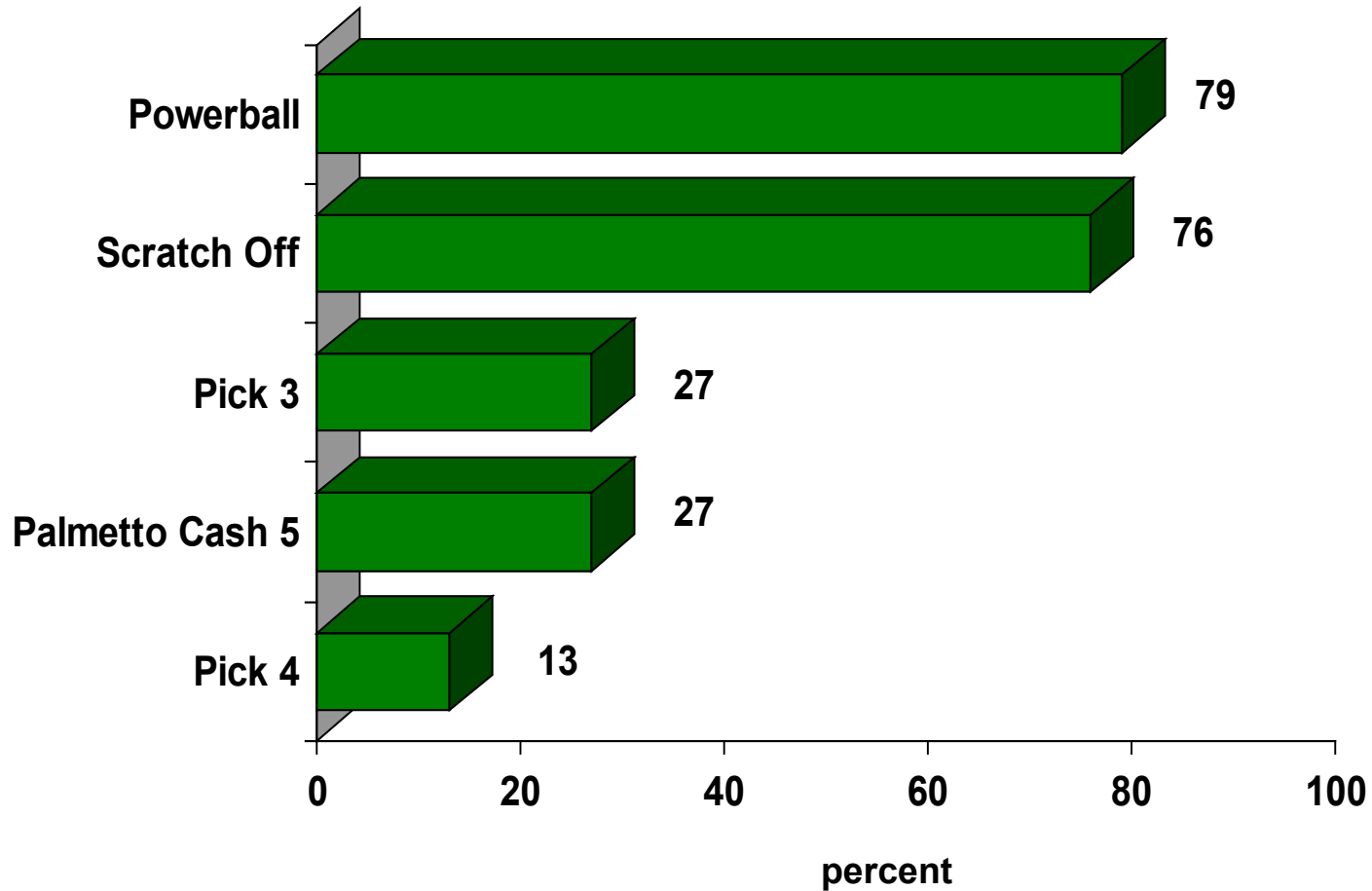
Game to Game Comparisons

- Powerball and Scratch Off games have the highest penetration of SC Education Lottery's five game options.
- Players are also likely to buy more Powerball and Scratch Off tickets per purchase than for other games.
- In terms of average spending, however, *Players* tend to spend slightly more per month on Pick 3, Pick 4, and Palmetto Cash 5 than on Scratch Off tickets and/or Powerball.

Incidence of Specific Game Play (among Total Sample)

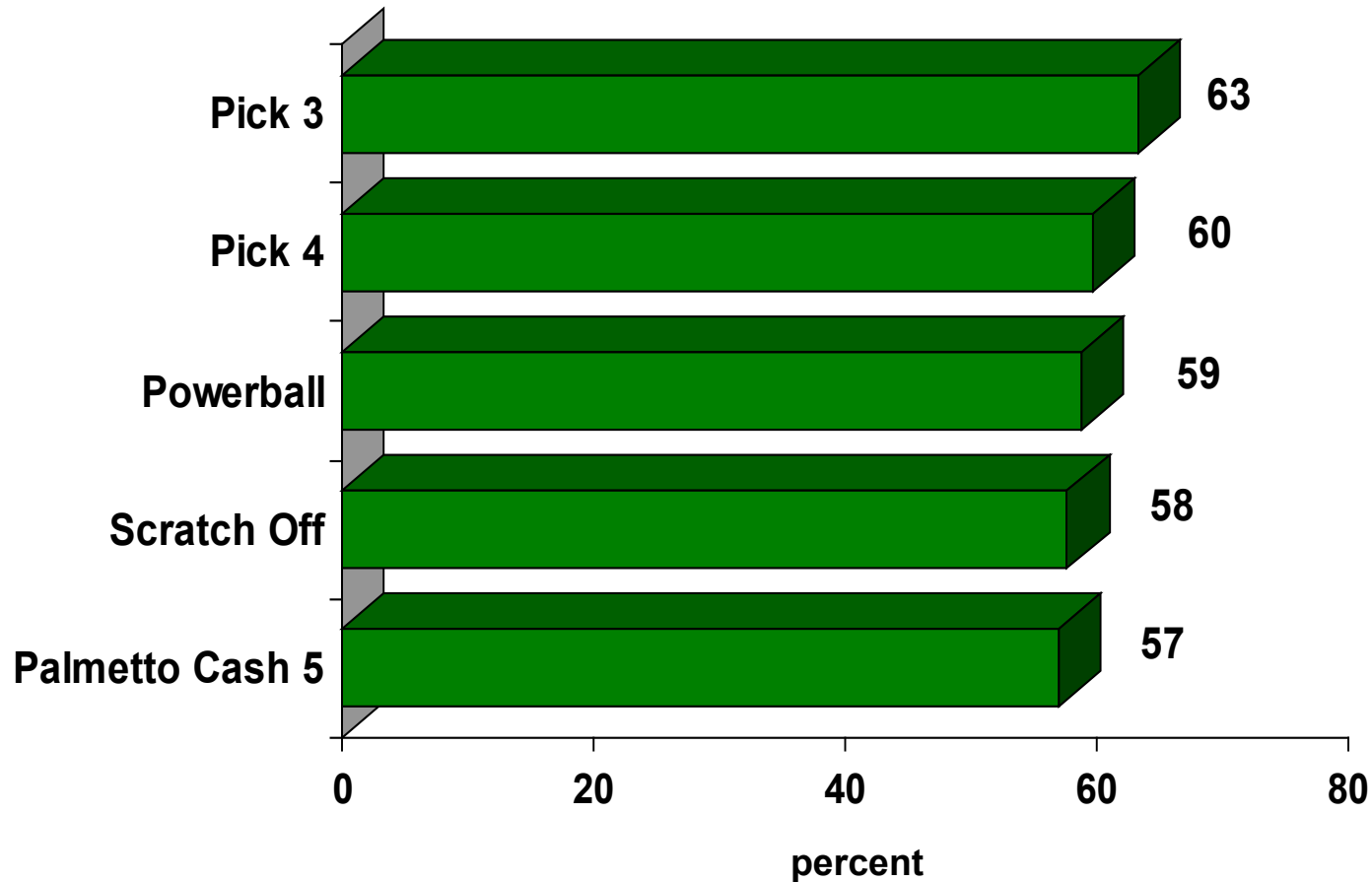


Incidence of Specific Game Play (among *Players*)



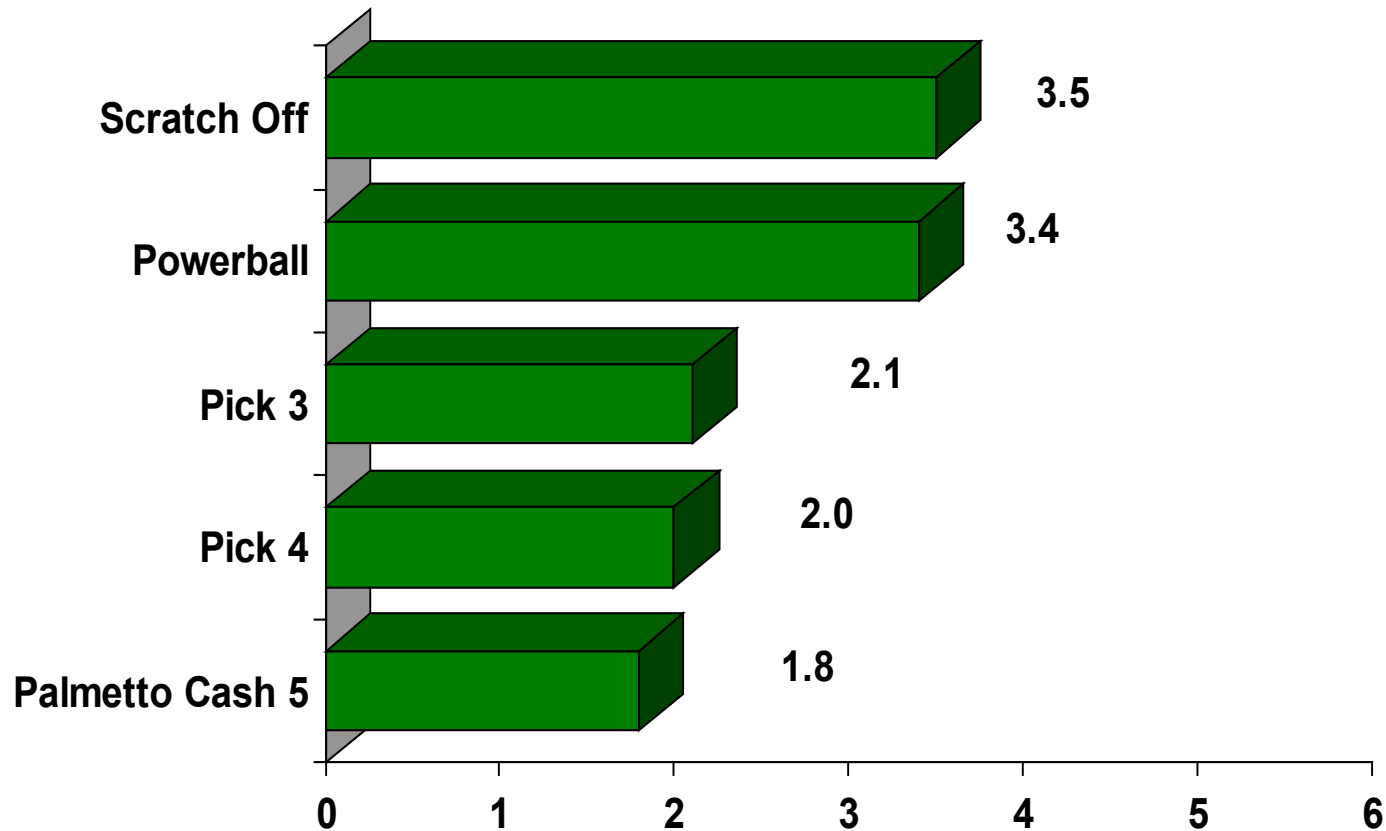
Incidence of *Active* Game Play

(play specific game at least once a month,
among *Players* of respective games)



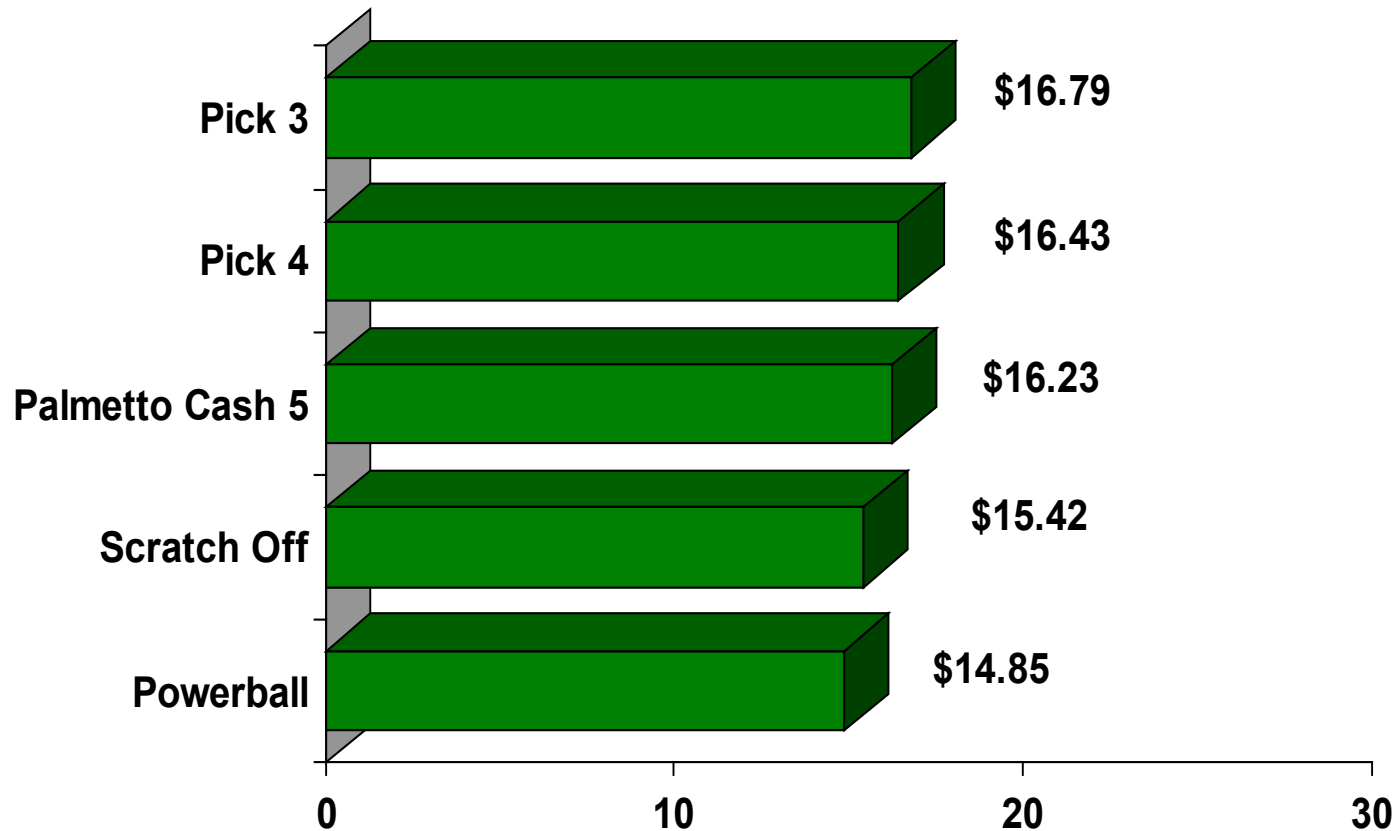
Number of Tickets Purchased Each Time

(calculated mean, among players of each respective game)



Average \$ Spent on Tickets Per Month

(calculated mean, among players of each respective game)



A MarketSearch Study

Appendix
